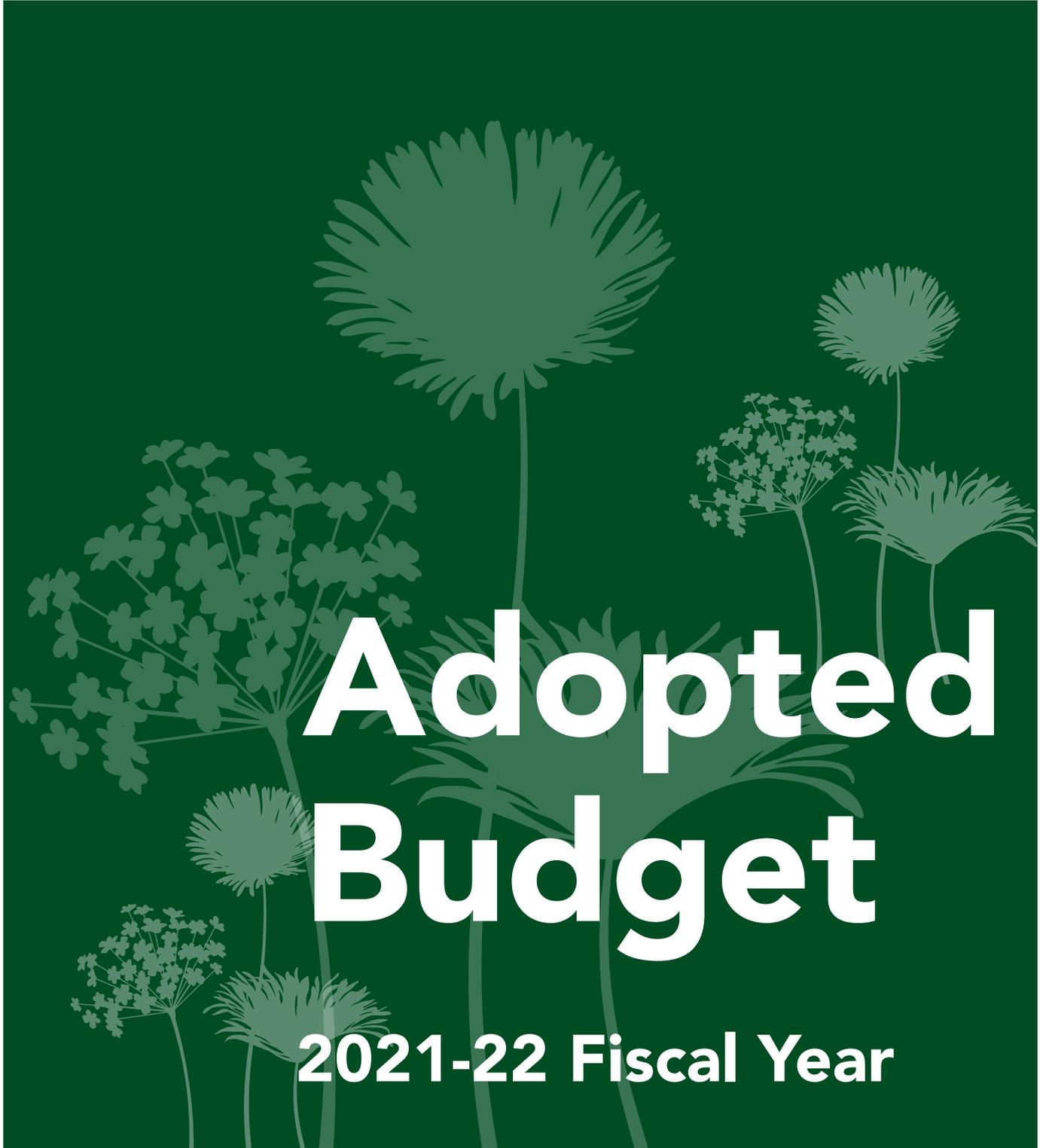




CITY OF MENLO PARK, CALIFORNIA

A dark green rectangular background featuring several white silhouettes of various flowers and plants, including large daisy-like flowers and smaller clusters of blossoms.

# Adopted Budget

2021-22 Fiscal Year

**ALL RIGHTS RESERVED © 2022**

**Questions? Contact the Administrative Services at 650-330-6640  
or visit our webpage [beta.menlopark.org/AdministrativeServices](https://beta.menlopark.org/AdministrativeServices)**



# Officers and Budget Team

## City Council

**Drew Combs**, Mayor  
**Betsy Nash**, Vice Mayor  
**Ray Mueller**, Council Member  
**Cecilia Taylor**, Council Member  
**Jen Wolosin**, Council Member

## City Council appointed officers

**Starla Jerome-Robinson**, City Manager  
**Nira Doherty**, City Attorney

## 2021-22 Budget Team

**Nick Pegueros**, Assistant City Manager  
**Justin Murphy**, Deputy City Manager  
**Dan Jacobson**, Assistant Administrative Services Director  
**Nikki Nagaya**, Public Works Director  
**Chris Lamm**, Assistant Public Works Director  
**Brian Henry**, Assistant Public Works Director  
**Eren Romero**, Business Manager  
**Christian Quijano**, Management Analyst I  
**Alxea Vilkins**, Human Resources Technician I

# Departmental Budget Coordinators and Contributors

## General Administration

**Clay Curtin**  
**Rebecca Lucky**  
**Judi Herren**  
**Sandy Pimentel**  
**Kristen Strubbe**  
**Nicole Casados**  
**Whit Loy**

## Community Development

**Deanna Chow**  
**Charles Andrews**  
**Mike Noce**  
**Vanh Malathong**

## Graphic Design

**Andre Strauss**

## Library and Community Services

**Sean Reinhart**  
**Nick Szegda**  
**Theresa DellaSanta**  
**Rani Singh**

## Police

**Dave Norris**  
**Tony Dixon**  
**Jaime Romero**  
**Dani O'Connor**

## Public Works

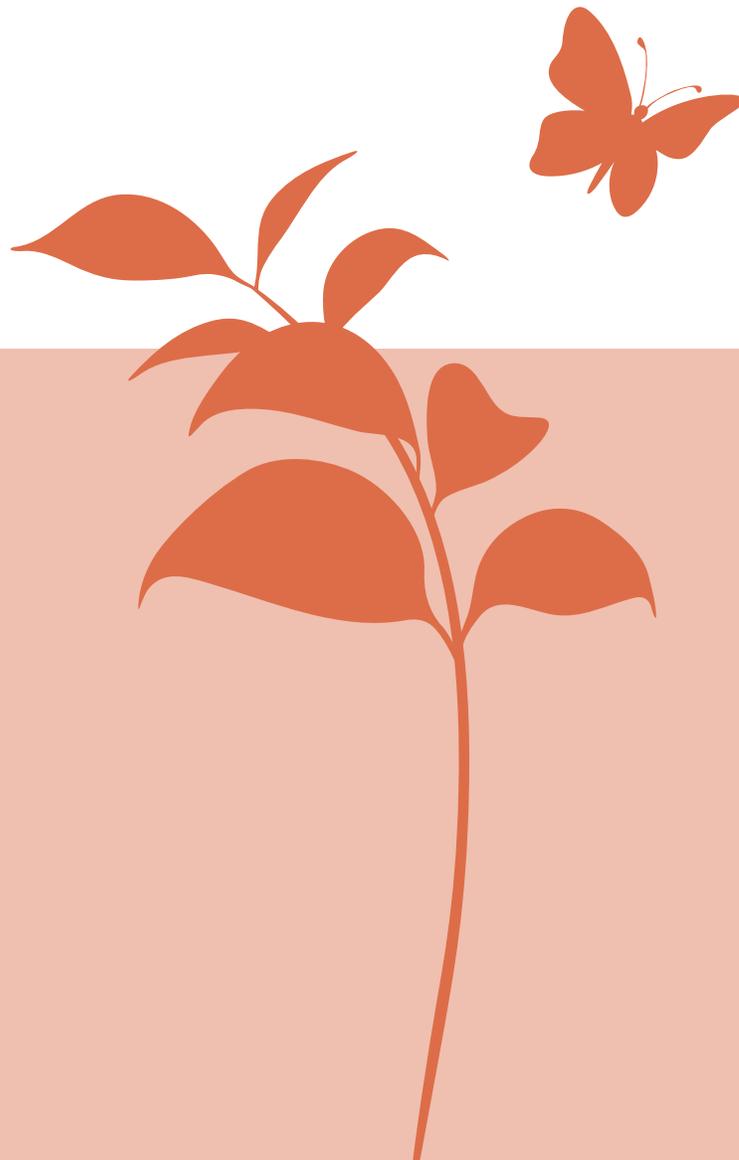
**Madelinne Godinez**



# 2. INTRODUCTION

A. Adopted Budget Transmittal Letter (pp. 05 - 23)

B. City Overview (pp. 24 - 30)



# ADOPTED BUDGET TRANSMITTAL LETTER



# Reimagining, Rebuilding, and Reinvigorating the Community

## **Dear Honorable Mayor Combs and Members of the City Council,**

*The last year has been unimaginably difficult, filled with isolation, loss, and stress in the community, the nation, and worldwide. As vaccines become widely available and the City and country look forward to a return to some sense of normalcy, it is with a hopeful heart that I present to you the adopted budget for fiscal year 2021-22. The City has weathered the storm of a worldwide pandemic through the strong leadership of the City Council, the engagement and support of community members, and the dedicated work of professional staff throughout the organization, and it is due to this resilience that I am optimistic about the coming year. Whereas fiscal year 2020-21 was one of hard choices and ensuring stability, the adopted budget for fiscal year 2021-22 allows for restoration and regrowth, an opportunity for reflection and introspection on City service delivery models, the highest and best use of resources, and reestablishing support to the community.*

*The fiscal year 2021-22 adopted operating budget is balanced and incorporates changes from the fiscal year 2020-21 budget to restore lost reduced services in an effort to reimagine, rebuild, and reinvigorate the community, the theme of this year's budget. The strong financial position of the City, combined with additional resources available through the American Rescue Plan Act and a historically quick recovery from economic downturns, provide a unique set of circumstances for the City to turn tragedy into opportunity. The General Fund expects to see a rapid return of many revenue sources and capacity in expenditures due to fiscally prudent decisions in prior years. The adopted budget includes new funding for four City Council adopted 2021 priorities: 2020 census redistricting, capital improvement team staff to support the Menlo Park Community Campus construction project, Caltrain quiet zone evaluation, and Middle Avenue complete street study. The budget does not include direct funding for two priorities, reimagining public safety services and reimagining downtown, pending City Council study session to scope the projects. Based on feedback from the community and the City Council, a number of additional services level enhancements have also been incorporated, to blunt the impact of lost revenue. As is always the case, the budget is a living document and I expect that fiscal year 2021-22 will require the same level of agility and revision of the prior year. The City Council's adopted priorities represent the ambitious agenda that rebuilding after the pandemic entails, and this adopted budget provides a plan to meet that challenge. I look forward to the opportunity to meet the challenge head on and to a City organization which continues to reinvent itself to better reflect the views and desires of the community!*

**Starla Jerome-Robinson**  
City Manager

## Budget Changes

The fiscal year 2021-22 adopted budget includes a number of changes from prior fiscal years, in part due to updates in budgeting and accounting practices afforded by the implementation of new financial software, and in part due to changes in the mix of services offered and organizational structure driven largely by pandemic-related resource limitations. These changes are discussed in greater detail below and throughout the budget document where applicable.

### City Council adopted 2021 priorities

The budget includes carryover, and new funds sufficient to meet City Council adopted milestones for 2021-22 on the following priorities:

- *2020 census redistricting*
- *2022 housing element and related zoning code updates and documents*
- *Caltrain rail corridor quiet zone analysis*
- *Climate Action Plan No. 1 - Explore policy/ program options to convert 95% of existing buildings to all-electric*
- *Climate Action Plan No. 4b - Middle Avenue rail crossing and complete street*
- *ConnectMenlo community amenities list update*
- *Menlo Park Community Campus*

The budget includes contingency funds, in the one-time revenue fund, from which City Council may appropriate funding for the following two priorities as their scope and milestones are currently unknown and will develop after the beginning of the fiscal year:

- *Reimagining downtown*
- *Reimagining public safety*

### City Council adopted 2021 work plan projects

The budget does not include the City Council adopted 2021 work plan due to the need to scope the work plan projects. Some projects such as the City's efforts on racial equity require reprioritization of work assigned to existing staff

to allow the time necessary to fully participate in the program. The contingency fund provided in the one-time revenue fund may be earmarked after the beginning of the fiscal year once City Council approves project milestones for fiscal year 2021-22.

### Deferral of July 2020 wage increases for non-sworn personnel

The City's represented and unrepresented non-sworn personnel partnered with the City in the final stretch of budget preparation for fiscal year 2020-21, in which the City experienced a sudden and unprecedented revenue loss due to the pandemic. All non-sworn personnel deferred their contractually negotiated salary increases of 2.9% effective July 2020, reducing the need to lay off additional personnel. The deferral agreement provides that the 2.9% salary increase occurs in June 2021 and is in the baseline budget. The City is in active labor negotiations on successor agreements with unionized personnel.



## Budgeting and Accounting Practices

During the process of updating the chart of accounts, the structure for recording all of the City's financial activity, a number of funds underwent changes to better separate distinct funding sources and their associated expenditures. As a result of many of the following changes, historical comparisons may be somewhat more difficult to analyze, but will increase transparency in future periods.

## Budgeting and Accounting Practices (cont.)

### One-time Revenue Fund

One notable and substantial change is the creation of the One-time Revenue Fund within the General Fund. This change removes major categories of non-recurring revenue from the General Fund baseline in order to allow for associated expenditures to be clearly identified. For fiscal year 2021-22, revenues in the One-time Revenue Fund include unrestricted funds received under development agreements. With this change, the General Fund sees the removal of \$1.69 million in revenue compared to prior year 'charges for services' category.

### American Rescue Plan Act Fund

The City expects to receive approximately \$8.30 million over two fiscal years through the federal stimulus plan, the American Rescue Plan Act (ARP), accounted for under a newly-created special revenue fund titled the American Rescue Plan Act fund. These funds are largely unrestricted in use and must be fully expended by December 31, 2024 or forfeited.

### Bayfront Mitigation Fund

During deliberation in the spring of 2021, City Council provided direction to create a separate fund, the Bayfront Mitigation Fund, for development agreement funds received for safety purposes. This special revenue fund includes the revenues from the fourth year of a five-year development agreement as well as the transferred fund balance from the General Fund for unspent funds received in prior years. This change removes \$2.43 million of revenue in the charges for services category from the General Fund as compared to prior years. In the fiscal year 2021-22 adopted budget, no expenditures are included in this fund pending additional direction from City Council, anticipated as part of the process of reimagining public safety in summer of 2021.

### Grant-based childcare funds

The City receives grants from a number of other agencies including the Federal and State

governments and local organizations to support childcare. Separate special revenue funds, including the Belle Haven Child Development Center Fund, Big Lift Fund, and Childcare Food Fund, were created in order to associate grant-based revenues with allowable expenditures. Under this change, the General Fund sees the removal of \$1.48 million in revenue in the intergovernmental category present in prior years.

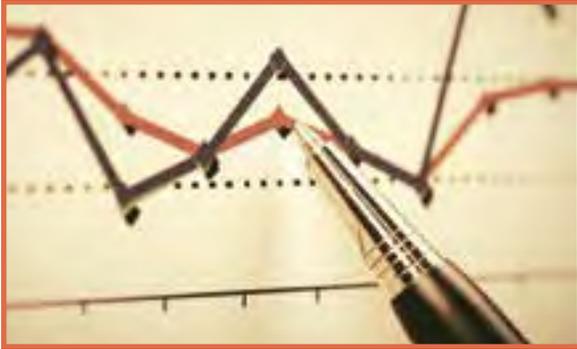
### Other special revenue funds

A number of other changes were made to special revenue funds in order to better manage revenues and associated expenditures. These funds have traditionally made up a relatively small portion of the budget but now provide greater detail within the budget. No changes to other special revenue funds resulted in a change to the General Fund.

### Clarification of pension obligations

With increased functionality afforded by recent budgeting software upgrades, the fiscal year 2021-22 adopted budget includes greater distinction in the categories of expenditures associated with employee pension costs with the California Public Employee Retirement System (CalPERS). These expenditures, categorized under fringe benefits, include:

- *Retirement (CalPERS normal)*: The costs associated with the current period's service. These costs are variable according to the authorized staffing levels of the organization.
- *Retirement (CalPERS unfunded liability)*: The costs associated with already-earned benefits of current and former employees, created as a result of the difference between assumptions and experience within the pension fund. These costs are fixed and unrelated to the level of authorized staffing.
- *Retirement (CalPERS employee pickup)*: Under agreements negotiated between the City and its organized labor units, a portion of the City's overall pension costs are borne by employees during their service. These costs are variable according to the authorized staffing levels and presented as a negative expenditure in recognition of the reduction to the City's pension costs.



## Fiscal Year 2020-21 Budget Reductions

The hard choices necessitated by the pandemic prior to the start of fiscal year 2020-21 resulted in a number of fundamental changes to the City organization. These changes included substantial reductions in service in every department and functional area, notably quantified by staffing reductions of approximately 19 percent Citywide. The fiscal year 2021-22 adopted budget does not reverse any of these changes pending additional direction from City Council, and the most material changes in service are summarized by functional area below.

### Generation Administration

Authorized staffing level reductions in the City Manager's Office and Administrative Services Department reduced capacity for both baseline and project-based work department-wide. Resultant capacity is focused on the most critical tasks and very little additional capacity is available to undertake process improvement initiatives.

### Police

Cuts to staffing levels eliminated the dedicated traffic unit, proactive gang and narcotics investigations, daytime parking enforcement, community engagement programs, and reduced police records staffing. These changes have reduced the range of public safety services offered to the community and require some duties to be performed as a secondary priority, such as traffic enforcement.

### Library and Community Services

The former Community Services Department and Library Services Departments were consolidated into a single department, in addition to the following operational changes:

- Elimination of 1.0 FTE department head position
- Elimination (freeze) of 1.0 FTE management analyst position
- Reduction in temporary staffing
- Service reduction of library open hours, books, and e-resources at both library branches
- Elimination of the gymnastics program
- Reduction in community special events programming
- Reduction in public outreach (activity guide, etc.)

During the spring of 2021, 2.0 FTE Library and Community Services Supervisor positions were authorized by the City Council to support childcare, which are included in the baseline fiscal year 2021-22 adopted budget.

### Community Development

Reductions in inspection, plan check, and planning staffing and contract services affected levels of service across all planning and building functions during fiscal year 2020-21. At the direction of City Council, 2.0 FTE positions, Community Development Director and Senior Planner, were authorized during the course of fiscal year 2020-21 and are included in the baseline fiscal year 2021-22 budget, but overall staffing levels is nevertheless lower than prior fiscal years. A decrease in staffing resources coupled with an increase in the number of building permits, inspections, and complex development and planning projects has affected capacity and delivery of services.

### Public Works

Reductions in staffing and resources in the Public Works department affected a number of program areas starting in fiscal year 2020-21, including:

### **Fiscal Year 2020-21 Budget Reductions (cont.)**

- Decreased capacity in administration to support customer service, manage grants, and respond to general inquiries
- Reductions in park and landscape maintenance resulting in less frequent park maintenance, elimination of cleaning at the Nealon Park dog park, and reduced weed abatement
- Delayed implementation of the enforcement requirements of the heritage tree ordinance provisions that were adopted in fall 2019 and went into effect on July 1, 2020
- Suspension of fleet maintenance service for partner agencies, delayed vehicle purchases in fiscal year 2019-20 and 2020-21
- Reduced service levels for streets maintenance (street signs, roadway striping, and non-safety related requests for pavement fixes)
- Elimination of in-house night-time custodial services and oversight
- Elimination of the neighborhood traffic management program, reductions in the transportation projects planned for delivery, and the Safe Routes to School and transportation demand management program
- Reductions in land development engineering, including public right-of-way permit reviews, building permits, and potential increased wait times for development applications
- Elimination of the holiday tree-lighting program

The fiscal year 2021-22 adopted budget maintains some of these budget reductions, except for those altered due to mid-year budget amendments in fiscal year 2020-21 and the following list of City Council-directed service level enhancements.

## **Adopted Service Level Enhancements**

Extraordinarily difficult circumstances required the City organization to focus the prior fiscal year's budget primarily on painful service reductions, but the outlook leading up to the start of fiscal year 2021-22 is substantially more optimistic. With the

City Council's direction to consider the budget holistically, major programmatic additions for City Council consideration were identified as a list of potential choices in advance of the public hearing in June 2021. Those service level enhancements which received majority support by the City Council have been incorporated into the adopted budget and are described in detail below.

### **Tier 1 Service Level Enhancements**

Tier 1 service level enhancements include those responsive to interest expressed by City Council through the goal-setting process and their consideration of other reports presented during City Council meetings. The costs related to personnel are presented as the fully burdened costs of employing additional staff, inclusive of direct wages, retirement and health insurance benefits, and other assorted fringe benefits including other insurances and taxes.

### ***Rental and mortgage assistance outreach - Modified by City Council and approved***

Provided through the American Rescue Plan Act (ARP) stimulus, these funds will be used to supplement and increase the current outreach related to rental and mortgage assistance programs available to tenants and property owners. The funds, \$0.125 million, will be provided to nonprofit community based organizations to expand outreach activities. City Council directed that the recommended funding source change from ARP to General Fund.

### ***Eviction and Incidental Modified by City Council and approved***

Using ARP funds, this money will be used for rental assistance, owner-occupied mortgage assistance and other financial assistance to help prevent eviction or displacement. These funds, \$0.25 million, would also be provided to local nonprofit legal organizations to support tenants and landlords to prevent eviction and displacement. All funds will be administered by nonprofit organizations.

### ***Small Business Relief Support***

The pandemic had a particularly negative impact on small businesses, including those in Menlo

Park. Utilizing ARP funds, the small business relief program will work with small businesses in the community to mitigate any impacts not addressed by other regional or Federal programs and provide a pathway forward to a resumption of business as the community transitions to a post-pandemic situation. City Council directed that the recommended funding source change from ARP to General Fund.

***Augmentation of Contract-Supported Capacity in The Building Division - Approved as recommended***

The Building Division of the Community Development Department currently uses contract services to supplement the following services: plan check, permit technician, inspection, construction and demolition program, and arborist services. Contracted services are necessary to keep up with public demand and comply with building codes.

In fiscal year 2020-21, the Building Division's contract services budget was cut from \$1.4 million to \$955,000. This service level enhancement restores the previous contract services budget, with the goal of fully supporting permit applications, issued permits and large development revision management. In 2021 and subsequent years, the Building Division anticipates additional contract service to be used for current and additional workload. In addition, contract services will be used to meet the upcoming staff leave needs that will create a significant gap in service delivery. These contract services are essential for the Building Division to keep up with public demand and comply with building codes.

***Improved turnaround time for plan check review and building permit issuance - Approved as recommended***

Since 2020, the building division of community development has experienced a substantial increase in the number of permit applications and issued permits. The number of large and complex projects has increased, despite the pandemic, and City staff anticipate demand for building division services will continue to grow in the next several years. In addition to increased demand, projects are more complex, requiring

increased review and management of subsequent revisions. In addition, inspection requests have spiked for large projects. Revisions to issued permits for large-scale projects move extremely fast and involve fast reviews. The City currently has 12 large-scale active projects and five new large-scale projects in the queue for 2021 and a large volume of residential review. The city's new land management system, Accela, has allowed certain automation and data collection that streamline some requests; however, the system implementation continues requiring dedicated staff time to learn new processes and procedures. To meet the desire for improved turnaround times in the building division's services, this service level enhancement includes the addition of three full-time equivalent personnel: 1.0 plan check engineer, 1.0 building inspector, and 1.0 permit technician.

***1.0 FTE plan check engineer*** - This position restores a fiscal year 2020-21 budget reduction and returns internal capacity to previous levels allowing for in-house plan check services and providing an additional resource to the community to answer questions related to the building process.

***1.0 FTE building inspector and 1.0 FTE permit technician*** - The City has witnessed substantial increase in permit activity over the past year. A significant increase in large-scale projects anticipated in the next several years will impact permit application workload and permit issuance until Accela implementation is complete. These two positions will assist with the land management system implementation and process improvements and anticipated increase in large project applications and subsequent building inspections.



## **Adopted Service Level Enhancements (cont.)**

### **Tier 1 service level enhancements continued**

#### ***Restoration of planning staffing levels - Approved as recommended***

This enhancement adds 1.5 FTE to the community development department at the principal planner level (0.5 FTE, \$0.08 million) and the planning manager level (1.0 FTE, \$0.22 million). The additional increment will help retain existing staff, provide flexibility in recruiting, and address the current and projected demand for development and building permit reviews. Planning staff is currently reviewing 9 projects with EIRs, and anticipates several additional large projects in this fiscal year, along with advancing the City Council's priorities of the Housing Element Update and updates to the ConnectMenlo community amenities.

#### ***Heritage tree ordinance implementation and downtown maintenance team - Modified by City Council and approved***

The public works department adds five (5.0) FTEs to provide management, administrative and technical support necessary to implement the July 2020 heritage tree ordinance and improve maintenance services in the downtown area. With respect to the heritage tree ordinance implementation, these positions also allow improved customer service and response times to tree removal or pruning applications. The ordinance put new regulations in place in July 2020, which has created an increased demand to explain regulations and follow up with applicants with questions or concerns on the process. With respect to downtown maintenance, this enhancement establishes a dedicated maintenance team to improve services in the Downtown. Currently, a combination of streets, parks and trees maintenance staff support various efforts downtown, including sign installation and maintenance, curb and pavement painting, sidewalk cleaning, lighting, banner installation, and maintenance of the street closures. In order to support economic recovery efforts for

downtown businesses and the street closure anticipated to be in place through January 2022, staff has identified the need for a dedicated presence of maintenance staff downtown. The staffing complement includes 1.0 FTE public works superintendent, 1.0 management analyst I/II, and 3.0 FTE maintenance workers I/II. City Council modified the service level enhancement as proposed by the City Manager's to include funding for 1.0 FTE public works superintendent, 1.0 FTE management analyst I/II, and 2.0 FTE maintenance workers.

#### ***Increase capacity for transportation capital projects and improve use of mapping tools - Approved as recommended***

The public works department adds 1.0 FTE Associate Transportation Engineer to advance multiple capital projects, with priority for projects that further the City's climate action plan goal to reduce vehicle miles traveled, such as the Middle Avenue bicycle/pedestrian undercrossing and complete streets study, and improve safety, such as the Caltrain grade separations. These staffing changes will help address the anticipated workload as the region recovers from the pandemic, with an emphasis on more mapping and improved tools to communicate work efforts visually. The administrative reclassifications transition an authorized Engineering Technician to Geographic Information System (GIS) Analyst and the Transportation Demand Management Coordinator to a Transportation Planner.

#### ***Economic Development Management - Approved as recommended***

This enhancement establishes a 1.0 FTE economic development manager position within the City Manager's Office. The pandemic has highlighted the need for a subject matter expert to serve as a single point of contact for residents and businesses focused on economic development in order to retain, expand, and recruit businesses and enhance vibrancy downtown. Until the new position can be filled and fully on boarded, the City would continue to retain contract services. The vacant management analyst I/II position in Community Development that previously focused on economic development would be retained and

repurposed. Staff is evaluating the best use of this FTE (which may be a management analyst or other position) likely focused on special projects, project coordination, and administrative functions across the department with a particular attention to efforts such as cross-departmental coordination, workflow documentation, process improvements, technological upgrades to enhance the customer experience and service delivery.

***Sustainability staff capacity for climate action plan implementation - Modified by City Council and approved***

With the adoption of the Climate Action Plan's implementation recommendations by City Council on April 27, the City Manager realigned staff assignments to provide sufficient resources to achieve milestones on CAP No. 1. Additional staff capacity is needed to support City Council direction on CAP No. 5 to eliminate the use of fossil fuels from municipal operations at equipment and machinery end-of-life unless infeasible, including city contractors. The added resource, 1.0 FTE management analyst II, can assist with other CAP projects under the direction of the sustainability manager and provide support to other departments in their work on CAP implementation. City Council directed staff to return with a proposal for and additional 1.0 FTE to augment support for the CAP.

***Tier 2 Service Level Enhancements***

Tier 2 service level enhancements include restoration of some positions eliminated through the fiscal year 2020-21 budget in a new way that is responsive to feedback received from City Council, members of the public, and city staff providing services to the community. The costs related to personnel are presented as the fully burdened costs of employing additional staff, inclusive of direct wages, retirement and health insurance benefits, and other assorted fringe benefits including other insurances and taxes.

***Restoration of library, community, service programs and services eliminated due to pandemic - Approved as recommended***

The included positions provide limited capacity to restore library and community services



department programs and services eliminated due to the pandemic.

***1.0 FTE librarian I/II*** - This request restores capacity to coordinate early childhood literacy services including story times; library book and media collection development for children; school partnerships and joint-use school/public library coordination (Belle Haven Branch); access to library services for children with special needs; and functional supervision and coordination of front line personnel and volunteers.

***4.0 FTE program assistant*** - These positions restore staffing levels to operate the nutrition/meal program for older adults; City-run indoor youth and adult sports leagues; weekend and weekday evening recreation center programming; weekend and evening operating hours at Belle Haven Branch Library and Main Library; adaptive programming for children and older adults who have disabilities or other special needs; and related administrative and programmatic support tasks. Two 1.0 FTEs and four 0.50 FTEs.

***1.0 FTE senior program assistant*** - The senior program assistant restores team capacity to organize large-scale community events such as block parties and festivals; cultural, educational, literary, arts and entertainment programs; special event permits; Performing Arts Center and its grants; community engagement and outreach. Library and community services staff continue to evaluate the duties and responsibilities associated with these events and may need adjustment in coming months as requirements become clearer.

### **Adopted Service Level Enhancements (cont.)**

**Gymnastics reactivation** - The gymnastics program, cut in fiscal year 2020-21, requires additional scoping and evaluation prior to full reactivation. The library and community services department will undertake this work during the summer of 2021 and provide additional information about a potential course of action during fiscal year 2021-22 once complete.

### **Enhanced police record-keeping, data collection, and quality assurance - Approved as recommended**

**1.0 FTE police records specialist** - The position reestablishes one full-time records position that was eliminated in the fiscal year 2020-21 budget. The addition adequately staffs the department to successfully meet the needs of the community while continuing to undertake the volume of business observed before the onset of the pandemic. Statewide, the movement of offense classifications from the Uniform Crime Reporting standard to the California Incident-Based Reporting System (CIBRS, in compliance with the National NIBRS) quadruples the number of individual offense classifications representing a significant labor impact. Additionally, enhanced police record-keeping for data collection and quality assurance will be required to the mandated Racial Identity Profiling Act (RIPA). The department has begun the steps needed to record and coordinate this new increased reportable information in anticipation of mandated reporting beginning in 2022. An immediate need is anticipated to cover for upcoming staff leave that will create a significant service gap, and ongoing needs related to enhanced public transparency in the future vision of department's community engagement commitment. This addition will also improve the department's response to public administrative and California Public Records Act (CPRA) requests.

### **Tier 3 Service Level Enhancements**

Tier 3 service level enhancements include proposals to improve customer service through

the addition of staff in targeted areas including support to make better use of technologies. The costs related to personnel are presented as the fully burdened costs of employing additional staff, inclusive of direct wages, retirement and health insurance benefits, and other assorted fringe benefits including other insurances and taxes.

### **Enterprise systems optimization - Approved as recommended**

The City's information technology division provides network and device access and support to all city employees. The increased reliance of new enterprise systems has struggled due to insufficient resourcing of dedicated staff in the nearly every area.

### **2.0 FTE enterprise applications support specialist (land management and financials)**

The City's implementation of the information technology master plan positioned the City well for greater reliance on technology to facilitate continuity of services during the pandemic. As staff migrates from legacy to new technologies, department-specific business systems require a unique skill set to manage the department's evolving needs. For example, recent policy and process changes such as the heritage tree ordinance, reach codes, and Climate Action Plan have all necessitated adaptations to the land management system. For these projects and more, a dedicated database administrator for the land management software will resource the needed database update or modifications. In administrative services, the migration to a new financial accounting, budgeting, and reporting system similarly require a dedicated resource to support the system's customers. Additionally, the enterprise application support specialists will focus on data integrity and report writing, and coordination with geographic information systems to optimize the utility of the new systems. Finally, these positions will work with the information technology division to manage business systems' support contracts, upgrades, feature roll-outs, and security.

### **1.0 FTE information technology specialist**

The library and community services department lost its dedicated information technology

support as a result of budget cuts impacting the department's capacity to support, deploy, configure, maintain, and operate essential technology systems including the library enterprise technology platform and automated materials handling system; recreation registration technology platform; public access computers and wifi, and videoconferencing for remote and hybrid community meetings and work.

### **Financial Management Organizational Resiliency - Modified by City Council and approved**

The City's administrative services team is strong and has accomplished several major initiatives over the past two years. While strong, the team is vulnerable to loss of institutional knowledge resulting from attrition. The team lost 2.5 FTEs in the fiscal year 2020-21 budget.

**1.0 FTE finance and budget manager** - The fiscal year 2020-21 budget eliminated the administrative services director position and reassigned duties to existing staff. The finance and budget manager upgraded to serve as assistant administrative services director, and the incumbent assumed oversight of the information technology and finance divisions. The dual role of the assistant administrative services director significantly reduced capacity for important projects such as mentoring and developing the finance team and taking the leadership and management initiative to standardize updated payroll, budgeting, and accounting processes implemented in recent years. In addition, the Finance and Budget Manager will provide the expertise to execute planned upgrades to City financial practices, including enhancements to the budget document and financial statements, additional reporting as requested by the City Council and community, and pursue further value-added process improvements. City Council removed 1.0 FTE finance and budget manager.

**1.0 FTE management analyst II** - The addition of 1.0 FTE Management Analyst II will restore a provisional position that expired on June 30, 2020 and help with supervision of payroll processing, treasury, and revenue management, including

oversight of transient occupancy tax collections, cash receipts, and utility users' tax collections. In addition, the Management Analyst II will provide support to the Finance and Audit Committee as a liaison and support departments with budget-to-actual reporting.

### **Tier 4 Service Level Enhancements**

Tier 4 service level enhancements include non-personnel proposals responsive to inquiries from City Councilmembers and members of the public.

### **Restoration of holiday lighting at City Parks - Modified by City Council and approved**

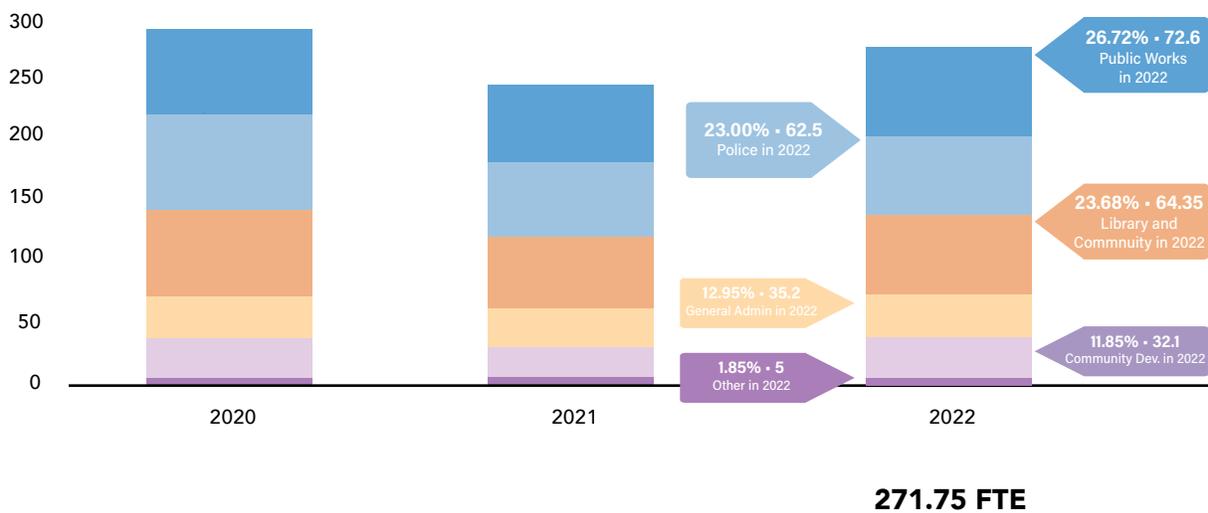
Since 2013, the City has used a contractor to install holiday lights during the holiday season. The first installation was on the 80-foot Douglas fir tree in Fremont Park for the holiday tree lighting event. The scope of the event, in collaboration with the Menlo Park Chamber of Commerce, has expanded since 2013 to include carolers, a movie showing, an appearance by Santa Claus, and a reading of "A Christmas Carol." In 2014, the scope for holiday lighting expanded to include additional lights in Fremont Park. Since 2014, the scope has grown to include additional locations throughout the City, including downtown, the clock tower at the Caltrain station, trees at the corner of El Camino Real and Ravenswood Avenue, and two trees at the Onetta Harris Community Center. In 2019, the lighting scope was reduced to decrease the cost of the program, focusing lighting on Fremont Park, Onetta Harris Community Center, and the corner of El Camino Real and Ravenswood Avenue. In 2020, due to the pandemic, the budget for this service was further reduced to light only the tree at Fremont Park. This proposal would restore holiday lighting to the level in 2019, with a proposed budget of \$90,000. This amount is not included in the proposed budget pending confirmation from City Council. The budget includes \$0.05 million to light the Fremont Park tree and a tree in District 1.

## Authorized staffing levels

The chart below compares authorized staffing levels, expressed as full-time equivalent (FTE) employees as of budget adoption for fiscal years 2019-20, 2020-21, and the adopted 2021-22 budget. Notable mid-year changes from fiscal year 2020-21 include the re-authorization of two planning positions in the Community Development Department and two positions in the Library and Community Services Department as well as several reassignments between departments

during the fiscal year. The adopted budget includes 20.5 new FTE compared to fiscal year 2020-21; a reduction of 5.0 FTE recommended in the City Manager’s proposed budget: 3.0 FTE in police, 1.0 FTE in public works, and 1.0 FTE in general administration. Transparency portal only: Click the link in the lower right of the graph below to explore staffing levels by department, division, and position title.

Citywide FTE Personnel [EXHIBIT TL.01]





## Revenue and expenditure summaries

The City utilizes fund accounting, separating available resources and expenditures according to their intended use. Charts below present the adopted budget for fiscal year 2021-22 in two levels, All Funds, and General Fund.

### All Funds

This presentation discusses revenues available and adopted expenditures across all funds, including operating, capital, and special revenue funds with prior year actuals and budgeted expenditures displayed. Users are able to click a report to see a variety of report presentations and drill down to lower levels of planned revenues or expenditures.

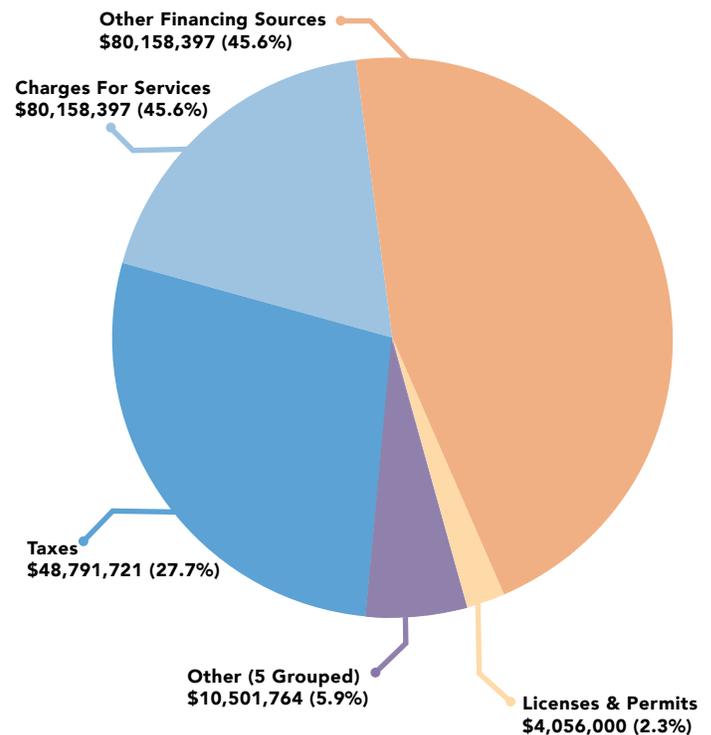
### General Fund

The largest and most active of the City's funds, the General Fund represents the most discretionary of the City's available revenues and expenditures. Available for a wide variety of uses from recreation classes to public safety and funded by sources ranging from property taxes to franchise fees, the General Fund spending plan represents many of the City's priorities outside capital investment.

### Navigation

The charts presented below are available to view embedded in this page or available through the City's transparency portal. To view the reports on the transparency page, follow the link in the title of each report.

### All Funds Revenues [EXHIBIT TL.02]

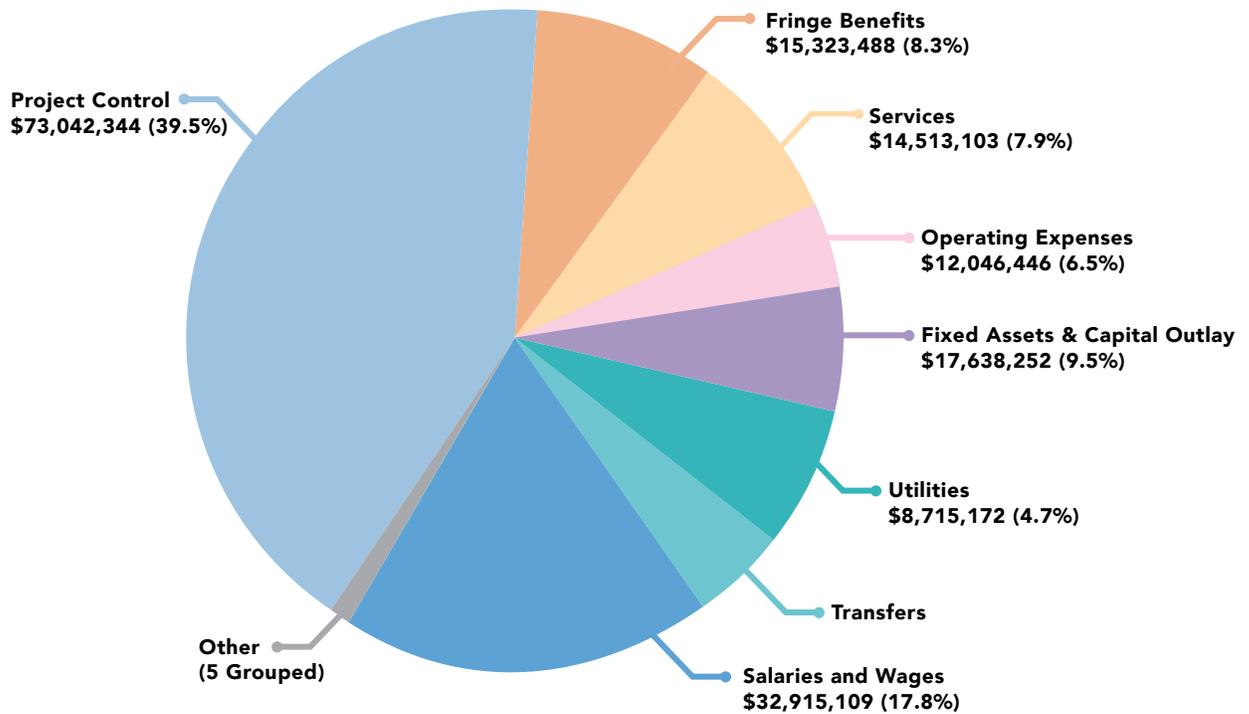


### All Funds Revenues [EXHIBIT TL.03]

	2016-17 Actual	2017-18 Actual	2017-18 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Taxes	\$ 46,261,525	\$ 57,687,959	\$ 55,969,274	\$ 54,109,296	\$ 50,861,430	\$ 50,604,474
Charges for Services	41,731,692	65,975,060	43,046,056	43,469,197	33,384,807	32,314,864
Other Financing Sources*	7,684,067	5,691,668	10,805,624	22,221,234	4,048,529	79,555,827
Lincenes & Permits	12,680,206	17,428,485	5,681,633	4,503,192	4,377,075	4,056,000
Inter Governmental Revenue	5,540,561	3,848,965	2,998,379	3,992,823	4,097,475	6,595,896
Use of Money & Property	5,421,504	6,500,705	4,594,447	6,494,191	1,416,523	1,433,848
Fanchise Fees	2,087,766	2,216,436	2,284,919	2,304,439	2,229,243	2,337,020
Other Revenue	966,570	526,150	602,713	745,955	804,993	125,000
Fines	1,933,843	3,151,236	1,440,003	709,141	408,572	135,000
<b>Total</b>	<b>\$ 124,307,733</b>	<b>\$ 163,026,663</b>	<b>\$ 127,423,049</b>	<b>\$ 138,549,469</b>	<b>\$ 101,628,648</b>	<b>\$ 177,157,929</b>

\*Other financing sources includes project carryover in 2021-22 adopted budget.

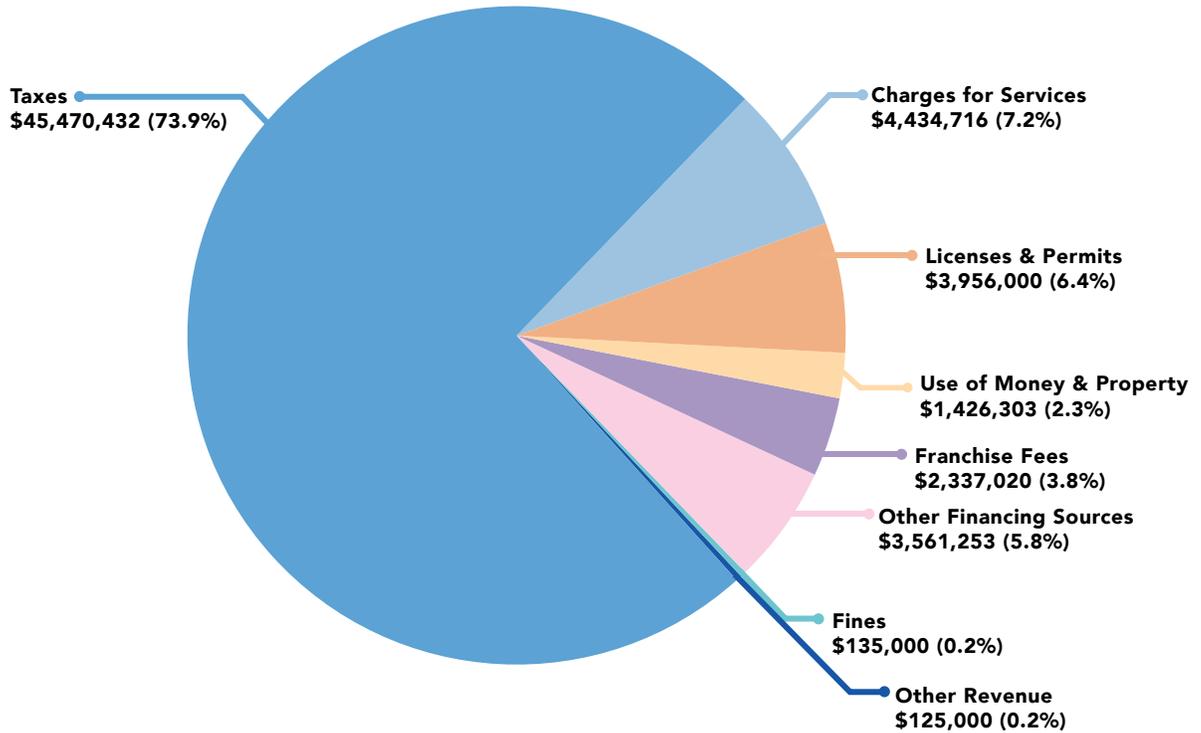
2021-22 All Funds Expenditures [EXHIBIT TL.04]



All Funds Expenditures [EXHIBIT TL.05]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Salaries and Wages	\$ 27,370,237	\$ 28,253,275	\$ 30,318,328	\$ 31,931,651	\$ 29,703,007	\$ 32,694,368
Project Control*	-1,657,546	-1,604,495	-972,722	-3,424,702	-935,789	73,042,344
Fringe Benefits	13,276,090	13,930,758	15,904,361	17,419,018	15,387,959	16,670,860
Services	10,083,317	11,426,411	12,092,002	13,002,049	11,917,107	14,601,103
Fixed Assets & Capital Outlay	7,616,766	8,514,528	4,468,692	13,072,088	9,216,376	17,638,252
Operating Expenses	8,949,263	10,673,231	11,281,162	12,823,952	10,896,767	12,049,99
Utilities	7,093,988	8,211,220	8,408,935	8,572,055	8,755,429	8,715,172
Transfers	7,673,392	5,612,101	10,791,211	11,693,455	3,964,999	4,814,540
Debt Service	2,914,245	3,043,538	2,706,235	12,655,156	2,310,174	1,041,281
Special Projects Expenditures	2,417,056	1,958,764	2,415,781	2,221,245	2,049,587	804,250
Repairs & Maintenance	1,038,232	1,081,694	986,608	1,212,177	1,312,146	1,575,501
Rental of land and buildings	123,303	111,850	92,190	141,175	93,011	200,860
Travel	150,849	132,536	155,170	74,535	16,549	90,820
<b>Total</b>	<b>\$ 87,049,193</b>	<b>\$ 91,345,410</b>	<b>\$ 98,647,954</b>	<b>\$ 121,393,852</b>	<b>\$ 94,687,368</b>	<b>183,941,349</b>

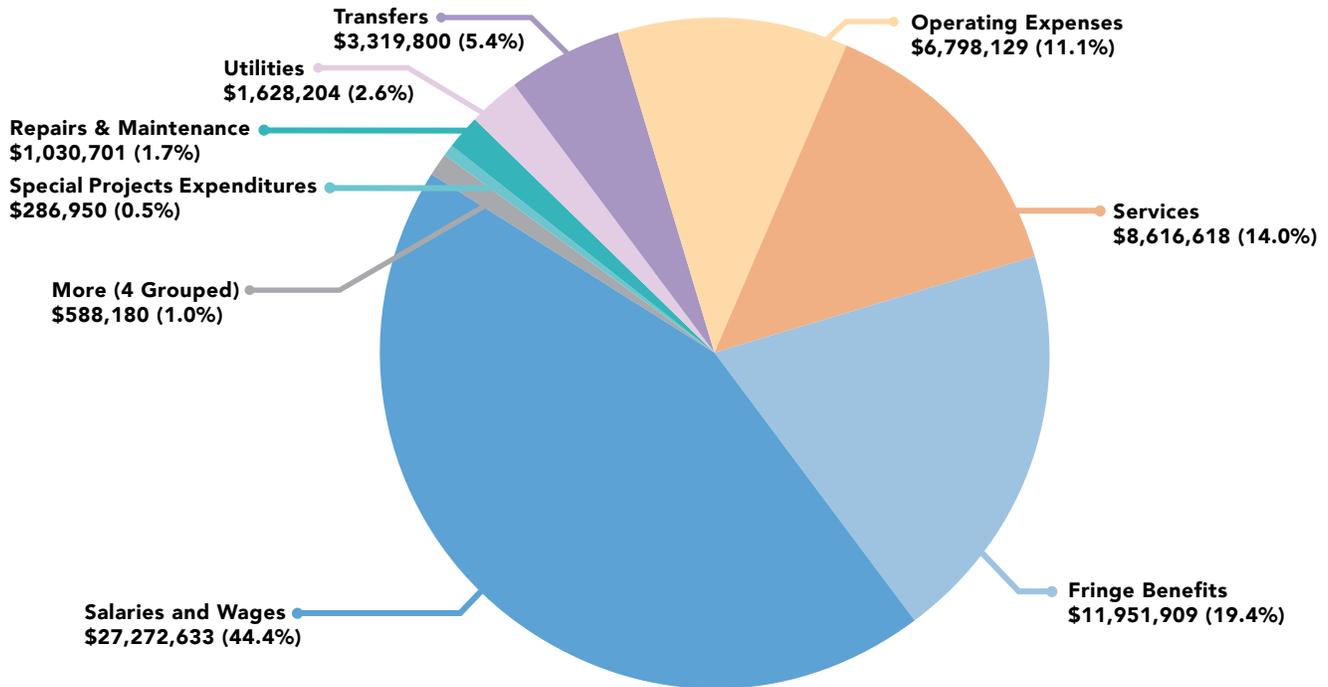
2021-22 General Fund Revenue [EXHIBIT TL.06]



General Fund Revenue [EXHIBIT TL.07]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Taxes	\$ 35,949,652	\$ 57,687,959	\$ 45,411,449	\$ 43,497,627	\$ 39,854,370	\$ 47,283,185
Charges for Services	11,682,612	65,975,060	12,526,876	10,317,674	5,887,090	4,434,716
Other Financing Sources	483,563	499,928	520,996	842,237	597,599	2,958,683
Linceses & Permits	12,242,281	17,428,485	5,233,753	4,116,682	4,653,741	3,956,000
Inter Governmental Revenue	1,508,354	1,656,596	1,506,071	1,571,831	1,923,457	47,400
Use of Money & Property	4,105,816	6,500,705	1,606,573	2,485,983	807,774	1,426,303
Fanchise Fees	2,001,106	2,121,386	2,181,173	2,203,963	2,137,124	2,337,020
Other Revenue	328,079	136,073	288,666	77,622	139,034	125,000
Fines	1,933,843	3,151,236	1,440,003	709,141	408,572	135,000
<b>Total</b>	<b>\$ 70,235,305</b>	<b>\$ 88,548,680</b>	<b>\$ 70,715,560</b>	<b>\$ 65,822,760</b>	<b>\$ 56,408,763</b>	<b>62,703,307</b>

2021-22 General Fund Expenditures [EXHIBIT TL.08]



General Fund Expenditures [EXHIBIT TL.09]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Salaries and Wages	\$ 23,393,664	\$ 24,610,777	\$ 26,522,884	\$ 27,550,861	\$ 25,118,295	\$ 27,051,892
Fringe Benefits	10,922,264	11,576,869	12,738,735	14,357,565	13,278,117	13,299,280
Services	4,799,936	6,506,417	7,374,616	6,695,510	6,391,893	8,706,618
Operating Expenses	5,294,188	6,536,772	7,298,645	7,230,808	5,725,329	6,791,682
Transfers	4,656,912	5,100,770	8,310,796	7,437,863	3,297,499	3,319,800
Utilities	1,434,787	1,568,521	1,664,419	1,725,328	1,681,882	1,628,204
Repairs & Maintenance	759,415	787,961	737,990	894,657	945,562	1,030,701
Special Projects Expenditures	208,578	268,999	320,638	353,142	282,070	286,950
Fixed Assets & Capital Outlay	135,601	321,338	192,561	351,151	302,010	338,460
Rental of land and Buildings	115,813	67,518	70,691	100,808	50,675	148,400
Travel	136,162	125,803	141,053	62,362	15,836	71,320
Project Control	0	0	0	0	0	30,000
<b>Total</b>	<b>\$ 51,857,320</b>	<b>\$ 57,471,745</b>	<b>\$ 65,373,029</b>	<b>\$ 66,760,054</b>	<b>\$ 57,089,169</b>	<b>\$ 62,703,307</b>

## 2021-22 Fund Balance and Budget Summary [EXHIBIT TL.10]

Fund	Beginning fund balance, July 1	Revenue & Transfers In	Expenditures & Transfers Out	Ending fund balance, June 30
100 General Fund	\$ 40,240,916.64	\$ 62,703,307	\$ 62,703,307	\$ 40,240,916.64
111 One-time Revenue Fund	-	1,686,000.00	-	1,686,000.00
201 EIR Fees	616,355.89	-	-	616,355.89
202 Miscellaneous Trust Fund	249,728.13	-	-	249,728.13
221 Housing Special Revenue Fund	6,603,190.78	-	4,000.00	6,599,190.78
222 Below Mrkt Rt Housing Spec Rev	31,512,890.09	-	336,611.00	31,176,277.09
223 Federal Revenue Sharing	126,683.87	-	4,000.00	122,683.87
224 Community Devlpmt Block Grant	1,381,926.63	-	4,000.00	1,377,926.63
251 Big Lift	-	190,000.00	260,149.00	(70,149.00)
252 Childcare Food	-	31,500.00	50,000.00	(18,500.00)
253 Belle Haven Child Devlpmt Ctr	-	1,255,000.00	1,557,690.00	(302,690.00)
254 Preschool-QRIS	(334.27)	-	-	(334.27)
256 Recreation In-Lieu	3,686,336.04	1,074,334	1,624,334.00	3,136,336.04
301 Literacy Grant	53,729.40	-	-	53,729.40
302 Public Library Fund	83,414.10	-	-	83,414.10
303 Family Literacy Grant	19,641.75	-	-	19,641.75
304 Menlo Park Community Campus	991,269.97	15,614,847.00	13,617,900.00	2,988,216.97
326 Narcotic Seizure Fund	42,585.73	-	-	42,585.73
327 Supp Law Enforcement Services	197,963.44	-	-	197,963.44
328 Downtown Parking Permits	4,753,605.83	500,000.00	2,589,600	2,664,005.83
332 Bayfront Mitigation Fund	1,856,582.00	2,434,625.00	-	4,291,207.00
351 Transportation Impact Fees	7,301,511.52	9,688,723.00	9,813,723.00	7,176,511.52
352 Transportation Fund	934,152.14	1,427,466.00	1,427,466.00	934,152.14
353 Downtown Public Amenity Fund	2,185,398.28	100,000.00	300,000.00	1,985,398.28
354 Storm Drainage Fees	95,353.61	1,800.00	50,000.00	47,153.61
355 Shuttle Program	(48,664.23)	841,046.00	1,200,398.00	(408,018.23)
356 County Transp Tax (Measure A)	629,464.86	1,199,459.00	1,350,484.00	478,439.86
357 Highway Users (Gas Tax) Fund	2,391,577.75	2,332,964.00	2,610,245.00	2,114,296.75
358 Landscape/Tree Assessment	370,703.26	1,287,457	1,046,071.00	612,089.26
359 Sidewalk Assessment	51,584.00	305,838.00	277,050.00	80,372.00

## 2021-22 Fund Balance and Budget Summary (cont.) [EXHIBIT CMPD.11]

Fund	Beginning fund balance, July 1	Revenue & Transfers In	Expenditures & Transfers Out	Ending fund balance, June 30
360 Measure M	93,990.62	146,000.00	146,000.00	93,990.62
361 Storm Water Management(NPDES)	360,650.53	425,862.00	514,969.00	271,544.53
362 Construction Impact Fee Fund	5,136,011.68	4,032,990.00	5,156,583.00	4,012,418.68
363 Measure W	665,494.49	300,000.00	500,000.00	465,494.49
364 HUT Repair and Maintenance	12,901.90	-	550,000.00	(537,098.10)
365 Landfill Post-Closure	7,763,194.17	4,883,569.00	4,495,404.00	8,151,359.17
366 Vintage Oaks Landscape	(478.68)	-	-	(478.68)
367 Sharon Hills Park	60.30	-	-	60.30
368 Bayfront Park Maintenance	874,038.25	-	248,484.00	625,553.25
397 ARP American Recovery PlanAct	0	4,150,250.00	847,740.00	3,302,510.00
400 Library GO Bond 1990	360,243.62	7,545.00	-	367,788.62
401 Recreation GO Bond	3,806,813.32	-	1,041,281.00	2,765,532.32
500 Measure T 2002 GO Bond	325,216.13	-	-	325,216.13
501 General Capital Improvement Fd	26,046,877.94	26,793,742.00	34,952,356.00	17,888,263.94
510 Library Addition	121,659.48	-	-	121,659.48
521 SMC Transportation Authority	(4,990.54)	7,971,955.00	7,971,955.00	(4,990.54)
600 Water Capital Fund	16,698,775.96	13,364,782.00	16,430,568.00	13,632,989.96
601 Water Operations Fund	26,598,036.87	13,774,400.00	10,239,617.00	30,132,819.87
610 Solid Waste Service	2,834,009.27	-	334,032.00	2,499,971.27
701 Workers' Compensation Fund	601,563.84	1,234,411.00	1,050,020.00	785,954.84
702 General Liability Fund	(550,146.87)	863,081.00	1,431,169.00	(1,118,234.87)
703 Other Post Employment Benefits	1,298,789.82	318,750.00	648,018.00	969,521.82
704 IT Internal Service Fund	1,902,352.30	2,781,801.00	2,823,082.00	1,861,071.30
705 Vehicle Replacement Fund	3,563,983.88	1,396,380.00	1,570,000.00	3,390,363.88
822 Payroll Revolving Fund	41,000.00	-	-	41,000.00
<b>Total</b>	<b>\$ 204,981,999</b>	<b>\$ 177,157,929</b>	<b>\$ 183,941,350</b>	<b>\$ 198,198,560</b>

# CITY OVERVIEW





## The Community

Menlo Park is a city of beautiful, tree-lined neighborhoods and active commercial districts. Located conveniently between the major metropolitan areas of San Francisco and San Jose, Menlo Park is home to a little over 32,000 residents in its 19 square miles. The stunning natural surroundings of the city afford views of the San Francisco Bay to the east and the Pacific Coastal Range to the west. Menlo Park's climate is moderate to warm, with an average of 265 sunny days a year.

## City Council

The City Council is the City's five-member governing body whose members are elected for overlapping four-year terms. Effective November 2018, the City began the transition from at-large elections to by-district elections. Three of the five councilmembers were elected at-large in November 2018 to four-year terms expiring in 2022. The transition to by-district elections was completed in November 2020 with the final two councilmembers elected to four-year terms expiring in 2024. The City Council selects from among its members, the Mayor and Vice Mayor to one-year terms at its first meeting in December of each year. The Mayor, who represents the City of Menlo Park, serves as the presiding officer of the City Council and signs enacting ordinances and contracts. The Menlo Park City Council meetings are generally second and fourth Tuesdays at 7 p.m. at the City Council Chambers located at 701 Laurel Street. In response to public health official social distancing orders in response to the COVID-19 pandemic, City Council meetings are temporarily held virtually. Meeting agendas, minutes, and connection information for virtual meetings are available from the City's website. Menlo Park's City Councilmembers serve part-time, retaining their positions in private industry, personal enterprise, business or the professions.



## Location

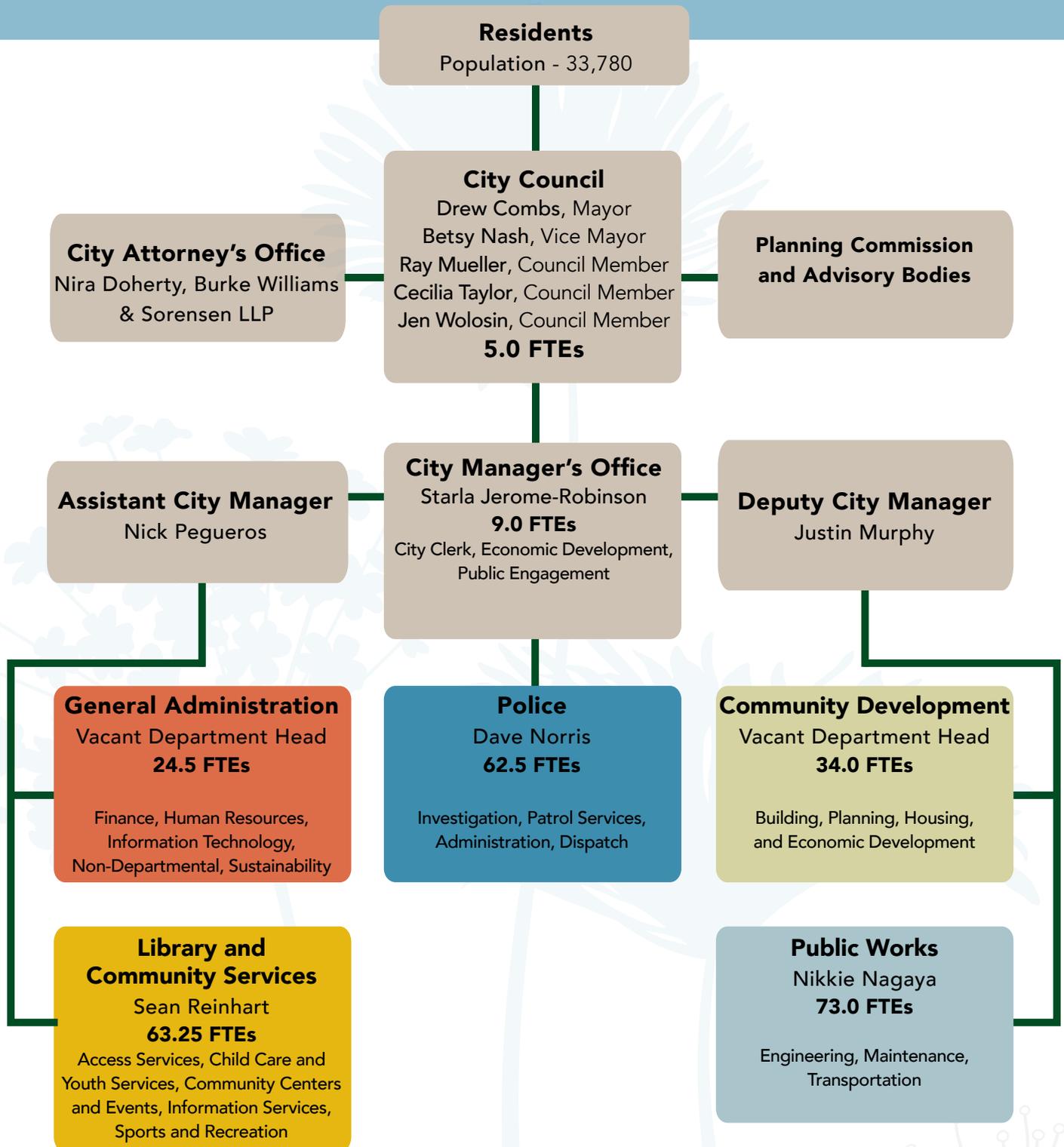
Located in the heart of Menlo Park is a downtown featuring unique and upscale shops and restaurants. Set in a pleasant, pedestrian-oriented atmosphere, Menlo Park's downtown area attracts locals and visitors alike. Known worldwide as the "Capital of Venture Capital," Menlo Park is well situated to benefit from and help shape new technologies and markets originating from the Silicon Valley. The city hosts such major employers as SRI International, Facebook, Pacific Biosciences, E\*TRADE Financial Corporation and CS Bio Co.



## City Government

Menlo Park is a General Law City under the State of California, and operates under the council-manager form of government. The City Council appoints the city manager and city attorney as well as members of a variety of commissions and committees. The City is organized into operating departments, including General Administration, Community Development, Library and Community Services, Police, and Public Works. In addition to its many attributes, Menlo Park has one of the most beautiful civic center campuses in the Bay Area. Lush landscaping, including heritage trees, a running fountain and a duck pond, surround the City Hall. The campus also includes a nine-acre park, recreation facilities and the main library. These civic amenities make the campus a noted destination for residents, local employees and visitors. Conveniently located, the campus is a short walk to the Menlo Park Caltrain Station and Menlo Park's downtown retail district. The City's website, [menlopark.org](http://menlopark.org), is the source for information about services, programs, projects, events, meetings, policies, employment and volunteer opportunities.

# Organizational Chart



## Budget Process

### Annual Budget Calendar

Like any complex organization with an annual budget of over \$120 million, the process to develop and produce the budget is continuous throughout the fiscal year, which runs from July 1 to June 30. The conditions presented for the pandemic event of 2020 and beyond have necessitated modified approaches to budget development, but a typical budget development cycle follows this schedule:

#### July through September

- Departments report on performance from prior fiscal year
- Encumbrances and project carryovers incorporated into budget
- Scoping meetings for the five-year Capital Improvement Plan (CIP)

#### October through December

- Five-year CIP drafted and prioritized
- Operating budget schedule developed

#### January through March

- Budget schedule, directions, and budget guidance provided to departments
- Annual City Council Work Plan Session
- Annual midyear financial report presented to City Council
- Department operating budgets drafted and reviewed with City Manager

#### April through June

- Revenue projections finalized
- Ten-year forecast developed
- Annual budget workshop/study session
- Public hearing on budget and five-year Capital Improvement Plan
- Budget adoption



### Fiscal Year 2021-22 Budget Preparation Process

The fiscal year 2021–22 budget marks the eighth year of the City's department-based budget structure and document and the second year of an online-first presentation. Before fiscal year 2014–15, the City budgeted by program and service as opposed to department and division. The program/service budget structure allocates resources to specific services provided by the City, which ideally allows users of the budget to understand what services the City provides and how much it spends on them. While this can be a great way to present budget information, from a practical perspective, it made the City's budget difficult to understand. With 30 distinct programs and over 110 services, the fiscal year 2013–14 budget was so finely parsed that the answers to typical budget-related questions such as "How much does it cost to run the Police Department?" or "How many employees are there in Public Works?" were very difficult to provide. Further, the number of programs and services made budget management difficult and time-consuming, taking time away from other tasks.



### Budget Process (cont.)

With the introduction of the City's new budget development software, both the department-based and program-based budgets are available for inquiry and review by members of the community. The dynamic online reports created as part of the budget preparation process allow users to filter by a number of categories including departments, programs, projects, and type of revenue and/or expenditure. Additionally, users may drill down in these reports to the object-level of budgeting and accounting, so users may view any level of detail or aggregated budget.

The development of the fiscal year 2021–22 operating budget began in February with departments updating revenue and expenditure estimates for the current year, as well as developing next year's budget proposals. The substantial changes to services offered in fiscal year 2020–21, combined with the desire expressed by the City Council to have a holistic view of potential budget changes results in an adopted budget which is largely a carryover budget but with a wide range of potential changes as directed by a majority of the City Council during the budget consideration and adoption process.

## Budget Policies & Practices

### Budget management and appropriations control

The City Manager has responsibility for management of the overall City budget and maintenance of appropriations control. The City Manager is authorized to transfer budgetary amounts within a single fund; however, any revisions altering the total expenditures of any fund must be approved by the City Council. Appropriations, which become effective each July 1, lapse at the end of the fiscal year, with the exception of appropriations for capital improvement projects. Due to the nature of these projects, which often span multiple fiscal years, unexpended capital improvement project funds are automatically carried forward to the following fiscal year as part of the project budget and do not require re-appropriation by the City Council.

### Fund accounting

The City's financial information is organized by fund, with each fund being a separate and distinct entity. There are three types of funds: governmental, proprietary and fiduciary. The General Fund, which is a



governmental fund, is the City's main fund that accounts for the vast majority of the City's operations, including but not limited to: police services, recreation, planning, building inspection, library, engineering, parks maintenance, street maintenance and general administration. Other types of governmental funds include special revenue funds and capital projects funds, which, unlike the General Fund, account for specific revenues and are used for specific purposes. Proprietary funds are used to account for the City's activities that are financed and operated in a manner similar to private business enterprises and include enterprise funds (water capital and operations) and internal services. The City's fiduciary funds are agency funds that are used to account for certain assets held on behalf of others, and the City's role in these funds is strictly custodial in nature. The City does not budget its fiduciary funds. More information on the City's various funds will be available in the Budget Summary and Discussion section of this document later in summer 2021.

### Basis of budgeting

Basis of budgeting refers to the method used to recognize revenues and expenditures in the budget, and in Menlo Park, the basis of budgeting is the same as the basis for accounting. For governmental and fiduciary funds, the modified accrual basis is followed. Under the modified accrual basis, revenues are recognized only when they become susceptible to accrual, which means when they become both measurable and available. Revenue is measurable when the amount of the transaction can be determined, and it is available when it is collectible in a manner that allows it to be used to pay for liabilities in the current period. Governments normally define an availability period for revenue recognition, and the City considers revenues related to a particular fiscal year available if they are collected within 60 days after that fiscal year's end. Sixty days is a common revenue recognition period. Expenditures are typically recorded when the liability is incurred, with

the exception of debt service expenditures. Debt service expenditures are recorded when payment is due.

The accrual basis is used for the proprietary funds, which includes the enterprise funds and the internal service funds. Under the accrual basis, revenues are recognized when they are earned, and expenses are recognized when the related liability is incurred.



# 3. BUDGET DISCUSSION

A. General Fund Revenue Discussion (pp. 32 - 41)

B. General Fund Expenditure Discussion (pp. 42 - 47)



# GENERAL FUND REVENUE



## Property Taxes

As the City's largest revenue source, property taxes are essential to understanding the fiscal health of the City in current and future years. For Menlo Park and the surrounding area, property taxes have proven quite resilient even through the depths of the Great Recession, a trend which will likely take several years to fully evaluate following the COVID-19 pandemic. This resiliency is attributed to location, land use decisions, significant investment in real estate improvements, and turnover in the housing stock to yield new base year assessed valuations in accordance with State law which caps the base property tax rate at 1 percent of base year assessed valuation adjusted annually for cost of living not to exceed 2 percent (Proposition 13).

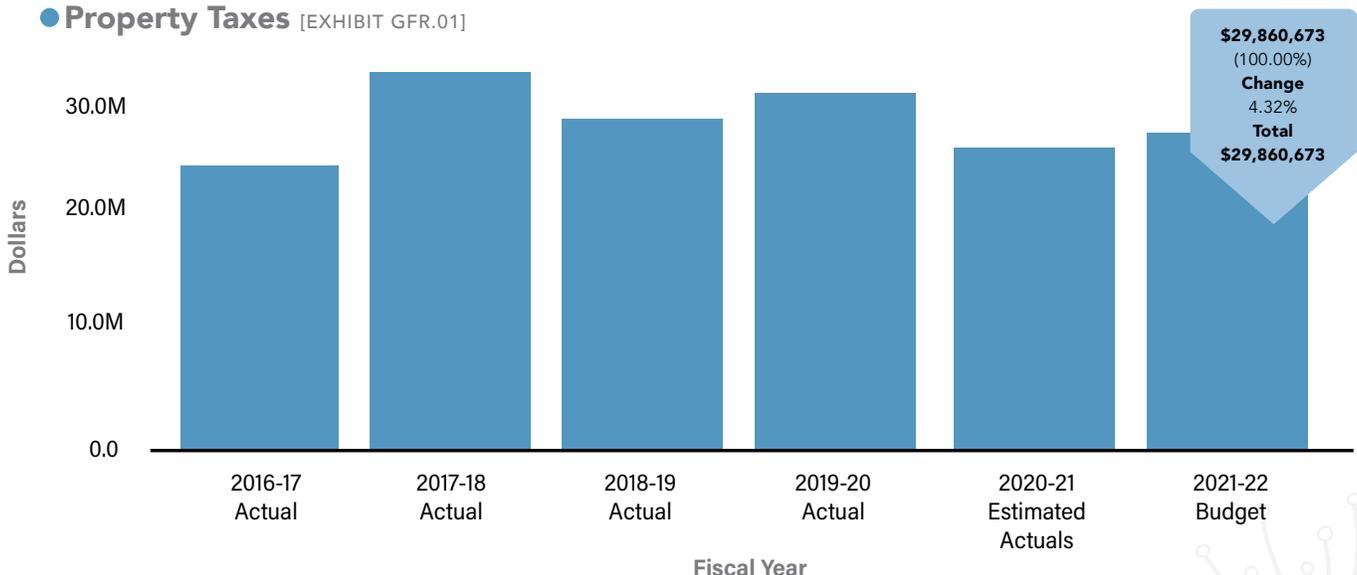
Property tax is comprised of several components with secured property tax, the tax on real property and the structures on that real property, making up the single largest component. Secured property tax revenue is driven primarily by increases in assessed valuation. Unsecured property tax represents the tax on appurtenances such as furniture. Supplemental property tax is the result of reassessing the value of real property when there is a change of ownership or new construction is completed after the official lien

date. Documentary transfer tax is a tax imposed on documents exchanged in the transfer of interest in real estate and is based on the value of the real estate. The tax collector administrative fee is budgeted as a contra-revenue, displayed as a negative number, which offsets the net receipts to the City for property taxes.

While there is still substantial uncertainty surrounding the ultimate effects of the COVID-19 pandemic, property taxes are expected to increase by a marginal amount in fiscal year 2021-22. The primary change, in secured property tax, is a result of a potential change to the distribution formula used for excess Educational Revenue Augmentation Fund (excess ERAF) and property tax in lieu of Vehicle License Fees, currently pending evaluation with the County of San Mateo and State of California. Changes in the distribution formulas may reduce the total property tax receipts by up to \$2.36 million in fiscal year 2021-22. Additionally, the City has maintained a policy of budgeting only 50 percent of excess ERAF in recognition that it is considered an endangered revenue source.

Property taxes, shown below, total \$28.05 million for fiscal year 2021-22.

● **Property Taxes** [EXHIBIT GFR.01]



## Future of Property Taxes

Overall, the outlook for property tax is conservative. The assessed valuation growth under Proposition 13 is expected to fall below the 2 percent cap due to the economic effects of the pandemic. As the pandemic subsides, particularly with the economic effects of the American Rescue Plan Act stimulus package, cost of living adjustments are expected to return to historical levels. It remains to be seen what the effect of increased telework opportunities will have on commercial properties, which could result in a material impairment of assessed valuations if businesses do not return to office work.

### Excess ERAF

When the State of California imposed the Education Revenue Augmentation Fund (ERAF) on cities and special districts across the State in the early 1990s to alleviate the State's funding obligations to local schools, property taxes were diverted from cities to schools. As assessed values in San Mateo County grow, the funds deposited to the County's ERAF exceeds the mandated distribution to schools and are returned to the taxing entities. Excess ERAF revenue had been considered at high risk out of concern that the State might update the school funding formulas to fully utilize the ERAF collections and future legislative changes may remove excess ERAF and re-purpose it elsewhere. To protect against a budget deficit that might result from a loss of excess ERAF revenue, the City continues the practice of budgeting only 50 percent of the prior year's excess ERAF revenue. The City continues to closely monitor this revenue source and update budget expectations accordingly.

### Assessed valuation appeals

When owners of a large and complex property appeals their base-year assessed value, the appeal can often take many years to resolve. If the appeal results in a lower Proposition 13 assessed value, the property owner receives a credit for property taxes in excess of the lowered assessment and the loss is apportioned to all cities in the County. In recent years, there have been

notable appeals on unsecured property related to aircraft at San Francisco International Airport which have resulted in reductions to Menlo Park's property tax revenue. The County Assessor's staff advised the City in May 2017 that the volume of appeals, the time required to resolve appeals, and insufficient staffing in the Assessor's office to manage the appeals has resulted in a significant backlog in appeal resolutions. One prominent appeal originally filed for the period of 2000 to 2004 was only recently resolved.

In addition, the effect of the economic crisis on assessed valuations is unclear at this time and unlikely to be fully known for several years. As a result, property tax collections in future years may be reduced by the timing effect of valuations conducted after tax rolls are finalized.



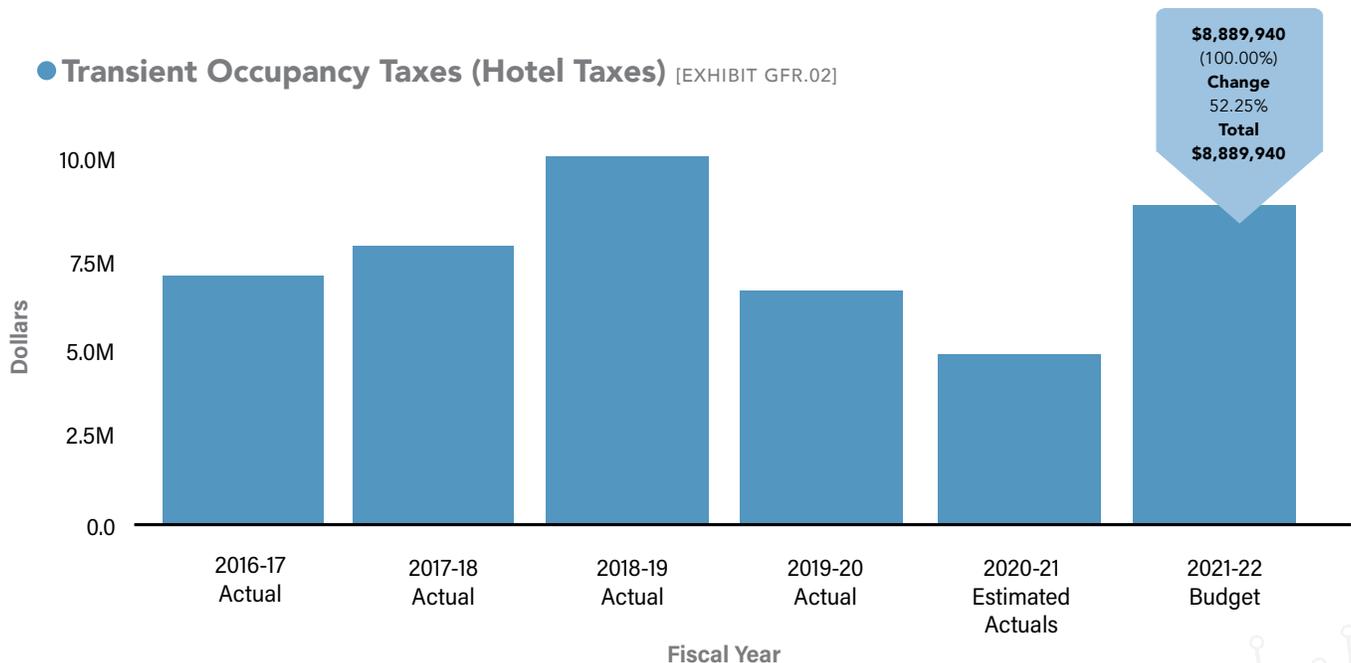
## Transient Occupancy Taxes

Transient occupancy tax (TOT or hotel tax) is the tax added to hotel guest bills for stays of fewer than 30 days. For fiscal year 2021–22, transient occupancy tax revenue is budgeted at \$8.89 million, up 88 percent from the fiscal year 2020–21 budget. This category of taxes was substantially impacted by the COVID-19 pandemic and the near complete suspension of business and leisure travel starting in March 2020. Using the historical analog of the Great Recession, this category of taxes is expected to rebound quickly as the pandemic subsides. It remains to be seen whether successful telework options will reduce the demand for business travel and continue to hold TOT below its historical high. Staff will continue to closely monitor this revenue source as more information becomes available.

Property taxes, shown below, total \$28.05 million for fiscal year 2021-22.



● **Transient Occupancy Taxes (Hotel Taxes)** [EXHIBIT GFR.02]



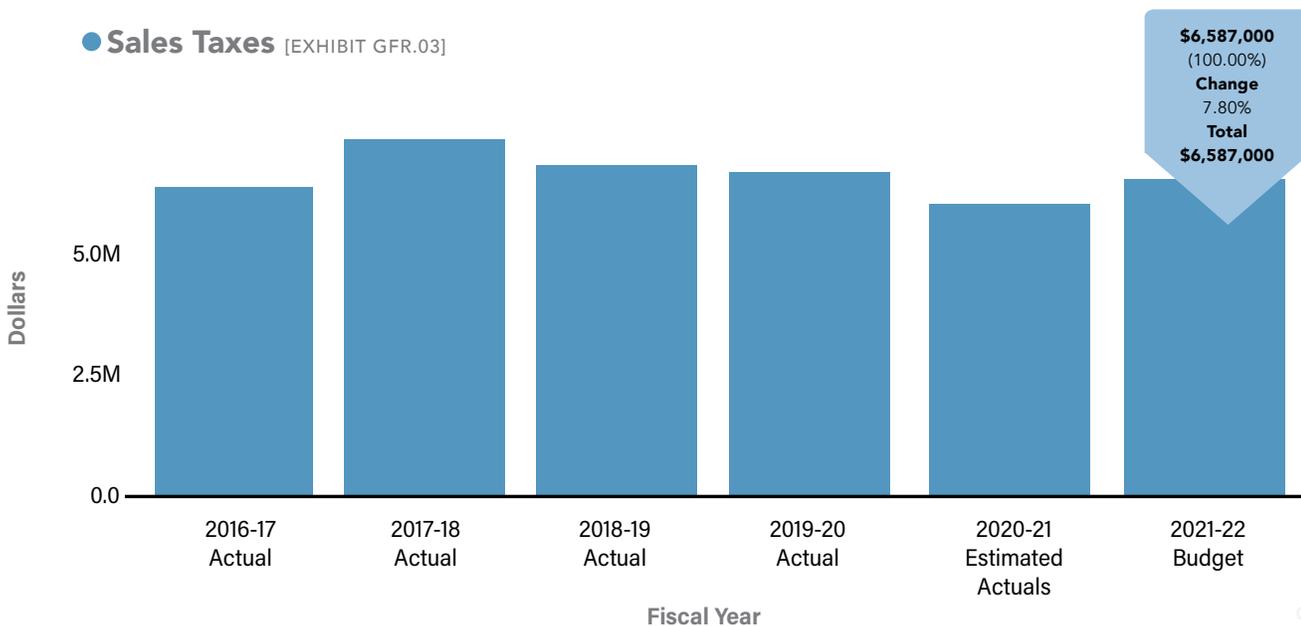
## Sales Tax

Sales tax revenue has been a revenue in decline for the past decade in terms of share of overall revenue even before the shock of the economic crisis which resulted in temporary or permanent closure of many sales tax sources such as restaurants and retail stores. Sales taxes and TOT have traded positions as the second- and third-largest categories of tax revenues in recent years, and the expected return of TOT again moves sales taxes to the third-largest category. The anticipated reduction in sales taxes in fiscal year 2020-21 did not fully materialize, resulting in higher-than-budgeted actual amounts. Given the expectation that sales taxes will return rapidly in part due to pent-up demand, sales taxes in fiscal year 2021-22 are budgeted at \$6.80 million, 8.0 percent above the estimated actuals for fiscal year 2020-21.

Unchanged from previous years, the forecasting process for sales tax is complicated and difficult, due in part to the increasing amount of sales tax received from the County pool. Pooled revenues are expected to continue to be a significant portion of the City's overall sales tax revenue as e-commerce continues to become a larger part of the economy.

When transactions occur online for sales tax-eligible purchases, the 1 percent share received by cities goes into a County pool for distribution rather than the City where the goods are delivered. For example, if someone shops at the Staples in Menlo Park and purchases a computer, the City receives 1 percent of the sale price in sales tax revenue. If that same person buys that computer via the Staples website, the 1 percent of the sale price, instead, goes to the County pool for distribution to all agencies, as the revenue from online purchases is tracked to the County where the customer is located, rather than to a more precise location due to the lack of detail in the seller's tax return. The County pool is distributed to each jurisdiction based on its share of total taxable sales. This is an important consideration because a jurisdiction's share of pooled revenue is directly tied to its proportion of the local 1 percent amount it receives in relation to the other jurisdictions in the County. This effect is likely to be slightly but not fully offset by the increased number of online retailers collecting sales tax following a Supreme Court ruling which went into effect during fiscal year 2019-20 but whose full implications are not yet known.

### ● Sales Taxes [EXHIBIT GFR.03]

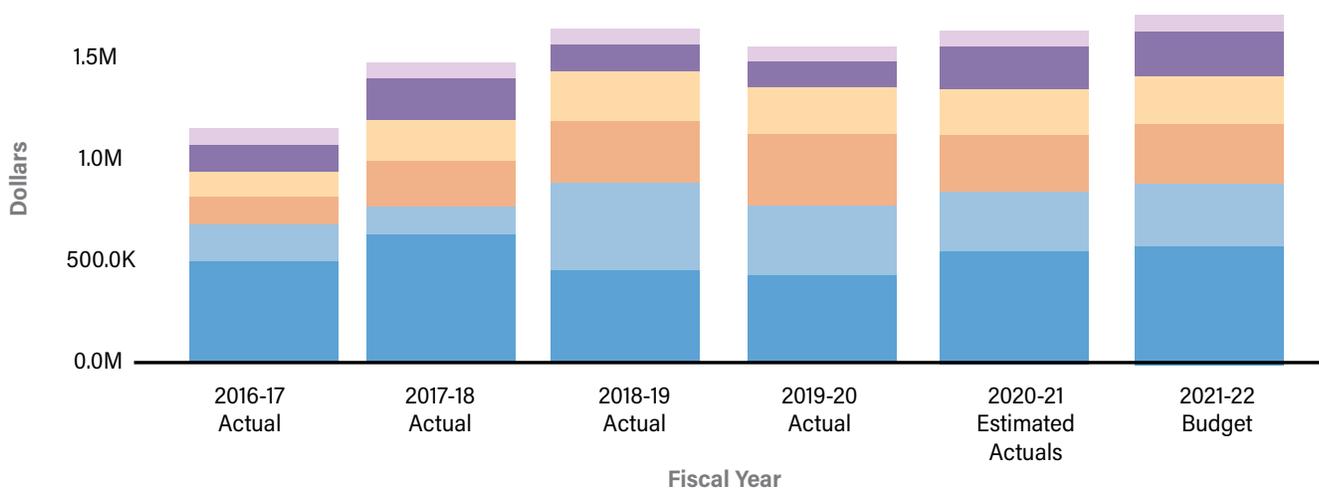


## Utility Users' Tax

The Utility Users' Tax (UUT) became effective April 1, 2007, imposing the voter-approved maximum 3.5 percent tax on gas, electrical and water usage and the maximum 2.5 percent tax on cable, telephone and wireless services. On July 19, 2007, the City Council approved a temporary reduction in the tax rate on all utilities to 1 percent, which became effective October 1, 2007, and has been reauthorized each year for the maximum period of a temporary reduction of 12 months. Additionally, there is a cap of \$12,000 on the combined annual

amount that a user can pay for electric, gas and water. As the historical graph demonstrates, Exhibit 1.12, UUT has grown slowly except in recent years. The effect of the pandemic has yet to be fully analyzed, though continued relatively slow growth is expected as businesses return to office work and community members spend less time at home. UUT is projected to be approximately \$1.74 million in fiscal year 2021–22, a modest increase from prior years given the uncertainty of the mix of utilities in a post-pandemic world.

Utily Users' Tax by category [EXHIBIT GFR.04]



Utily Users' Tax by category [EXHIBIT GFR.05]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Electric Utility Users Tax	\$ 480,654	\$ 641,768	\$ 641,768	\$ 571,824	\$ 588,978	\$ 606,647
Telephone Utility Users Tax	202,005	168,628	356,084	278,500	284,070	289,751
Wireless Svcs Utility Users Tx	170,707	219,558	270,564	288,582	300,124	312,129
Water Utility Users Tax	154,030	212,173	211,997	236,105	228,362	237,497
Gas Utility Users Tax	150,312	166,906	153,902	164,175	169,100	174,173
Cable Utility Users Tax	88,731	98,418	98,418	87,383	89,131	90,913
<b>Total</b>	<b>\$ 1,246,439</b>	<b>\$ 1,507,450</b>	<b>\$ 1,661,939</b>	<b>\$ 1,626,569</b>	<b>\$ 1,659,765</b>	<b>\$ 1,711,110</b>

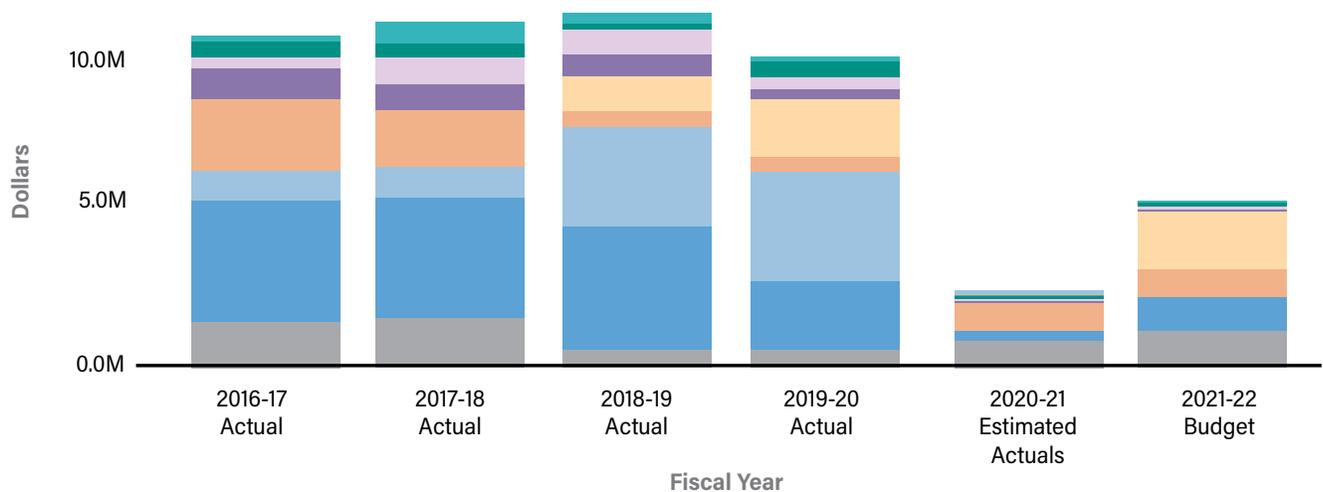
## Charges For Service

This category includes revenue collections from fees charged for services provided by City operations. Due to the effects of the COVID-19 pandemic, many of the services traditionally provided by the City underwent rapid and fundamental change. As the City begins to provide a wider range of services to the public, this category expects to see growth but the magnitude is largely dependent on the future mix of services offered.

Historically, the Library and Community Services Department and Community Development

Department were the main drivers of charges for service. While development-related charges are expected to continue at a pace similar to prior years, major changes to programming in Library and Community Services substantially reduce the expected revenue in fiscal year 2021-22 as compared to prior years. These fees are guided by the City's cost recovery policy, which specifies a subsidy level for various categories of activities. As the City prepares for reactivation of services to the public, the fees charged for services will also be reviewed, with a target date of early in fiscal year 2021-22.

Charges for services by category [EXHIBIT GFR.06]



Charges for services by category [EXHIBIT GFR.07]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Contract Revenue	\$ 3,625,302	\$ 3,437,652	\$ 3,349,696	\$ 1,880,815	\$ 435,644	\$ 1,279,000
Reimbursement Revenue	1,144,542	1,276,640	3,234,189	3,225,241	15,000	85,700
Planning Fees	2,297,821	1,669,640	777,958	648,064	1,000,000	1,200,000
Developer Payments	0	0	1,350,000	1,686,000	0	325,000
Rental Income	1,211,231	1,006,426	865,248	569,323	0	325,000
Improvement Plan Check	427,799	963,735	1,019,435	344,471	235,000	235,000
Child Care Fee/Non-Certified	918,875	862,960	255,599	549,448	0	0
Subdivision Inspection Fees	226,693	1,015,860	549,087	227,573	143,000	143,000
Major Encroachments	157,612	578,417	262,779	140,314	209,000	209,000
Minor Encroachments	155,857	161,306	263,677	202,317	311,238	300,000
Misc General Charge	478,468	275,547	-56,966	350,679	45,587	49,766
Non-Resident Recreation Fees	478,468	293,809	216,429	151,138	0	58,000
Child Care Fees/Certified	57,009	69,081	39,747	35,442	21,950	350,00
Alarm Citation Fees	222,427	118,277	82,810	45,953	0	0
Tree Permit Fee	43,810	72,725	56,656	39,194	66,000	77,000
Document Prep & Storage Fee	47,290	58,468	83,464	59,483	45,000	45,000
Constrctn & Demo Admin Fee	102,846	89,693	45,035	42,059	25,000	25,000
Street Department Fees	14,945	52,103	15,824	10,730	0	10,500
Printing - Outside Agency	44,281	73,115	4,343	3,664	0	0
Vehicle Impound	38,250	20,375	22,250	15,750	0	0
Disability Access Outreach	13,775	54,925	17,488	18,891	11,000	3,000
FEMA Review Determination	22,950	25,450	19,230	10,145	10,000	10,000
Final Parcel Maps	10,345	48,671	9,046	12,556	11,000	11,000
Water Efficient Lndscp Plan Ch	15,350	20,100	16,723	17,818	11,000	11,000
P G & E Energy Rebate	32,689	46,442	0	79	0	0
Alarm Registration Fee	0	0	1,755	20,379	0	0
Temp Encroachment Permits	7,450	17,195	19,206	7,002	7,700	7,700
Police Fees	18,565	6,183	2,845	1,805	0	0
Fingerprint Fees	1,552	1,241	2,341	873	0	0
Money Short/Over	1,276	2,627	241	162	0	0
Abandoned Vehicle Service Auth	901	750	625	250	0	0
Records Search	756	114	86	30	0	50
City Clerk Fees	95	20	32	27	0	0
<b>Total</b>	<b>\$ 11,682,612</b>	<b>\$ 12,319,546</b>	<b>\$ 12,526,876</b>	<b>\$ 10,317,674</b>	<b>\$ 2,603,119</b>	<b>\$ 6,120,716</b>

## Other Revenue

### Franchise Fees

The City receives franchise payments from companies providing garbage, electric, gas, water and cable television services. Total franchise fee revenue budget is \$2.34 million in fiscal year 2021–22, growing approximately 3 percent compared to the prior year.

### Intergovernmental revenues

The City receives franchise payments from companies providing garbage, electric, gas, water and cable television services. Total franchise fee revenue budget is \$2.34 million in fiscal year 2021–22, growing approximately 3 percent compared to the prior year.

### Licenses and permits

This category mainly consists of development-related permitting, including revenue from development agreements, and the business license tax. The 2021–22 budget is \$3.96 million, which is flat from the prior year in recognition that the pandemic did not substantially curb development activity.

### Fines and forfeitures

This category of revenue consists of traffic-related fines, the fiscal year 2021–22 budget, \$0.14 million, reflects expected revenues based on night time parking and as-needed traffic enforcement as the adopted budget does not include daytime parking or a traffic unit, differing from pre-pandemic years. Restoration of these services is contingent upon additional action by City Council and may affect the ultimate revenue amounts.

### Interest and rent income

This revenue category consists of the proceeds the City receives from the properties it leases, as well as earnings from the City's investment portfolio. With respect to rental income, the fiscal year 2021–22 budget, \$0.67 million, and beyond reflect the contractual terms of the various leases, including an annual rent increase which tracks that of inflation. For interest earnings, the fiscal year 2021–22 projection of

\$0.76 million, net of investment advisory fees, reflects the steep decrease in yield seen over recent months and the expectation that it will remain low for the entirety of the fiscal year.

### Transfers, other revenue and resources

The remaining revenues consist primarily of funds transferred into the General Fund from other City funds to pay for the cost of citywide administration, including the cost of Finance, Human Resources and the City Manager's Office. The fiscal year 2021–22 transfer amount of \$0.65 million was set based on the percentage increase in staffing costs for the applicable departments.

One major item of note is the transfer to the General Fund from the American Rescue Plan Act Fund, \$2.91 million, which eliminates an operating deficit otherwise present as General Fund expenditures exceed revenues in the upcoming period. This transfer is allowable under the revenue backfill method in the conditions of the stimulus funds, and may or may not be repeated in future fiscal periods depending on the direction received from City Council on use of stimulus funds.



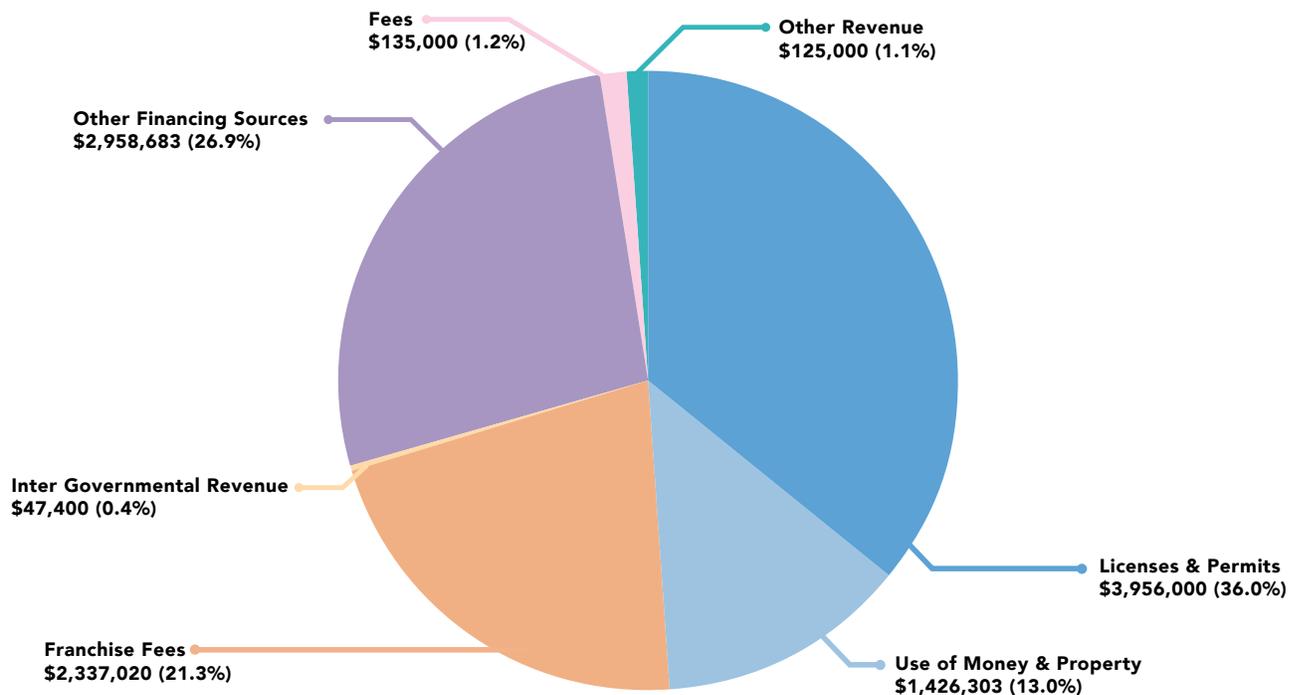
**Transfers, other revenue and resources**

The remaining revenues consist primarily of funds transferred into the General Fund from other City funds to pay for the cost of citywide administration, including the cost of Finance, Human Resources and the City Manager’s Office. The fiscal year 2021–22 transfer amount of \$0.65 million was set based on the percentage increase in staffing costs for the applicable departments.

One major item of note is the transfer to the General Fund from the American Rescue Plan Act Fund, \$2.91 million, which eliminates an operating deficit otherwise present as General Fund expenditures exceed revenues in the upcoming period. This transfer is allowable under the revenue backfill method in the conditions of the stimulus funds, and may or may not be repeated in future fiscal periods depending on the direction received from City Council on use of stimulus funds.



**2021-22 Other Revenue by category** [EXHIBIT GFR.08]



# GENERAL FUND EXPENDITURE



## Personnel

Personnel costs, inclusive of wages and fringe benefits, represent approximately 63.8 percent of total General Fund expenditures and total \$39.22 million for fiscal year 2021–22, up 2.6 percent when compared to the amended budget for fiscal year 2020–21. This is inclusive of workers’ compensation and retiree medical internal service charges of \$1.38 million, approximately 3.5 percent of total personnel costs. This amount also includes compensation increases as a result of negotiated agreements with three of the City’s labor units. A vacancy factor, previously removed due to uncertainty surrounding the pandemic, has been included again in the fiscal year 2021–22 adopted budget at 7 percent of variable personnel costs in anticipation that workers will reevaluate employment options as the economy returns to pre-pandemic levels of activity.

some functional areas, though City Council gave substantial direction in restoring services to pre-pandemic levels, including the addition of 25.0 FTEs for fiscal year 2021-22.

Contract or temporary help, such as seasonal employees that work during certain times of year, are not included in the FTE count because they are not benefited positions. To calculate an FTE, a benefited employee’s regular scheduled annual hours are divided by the number of hours worked by a full-time employee, 2,080 hours. For example, a benefited employee who works 20 hours per week would divide 1,040 (52 weeks x 20 hours per week) by 2,080 to result in 0.50 FTE.



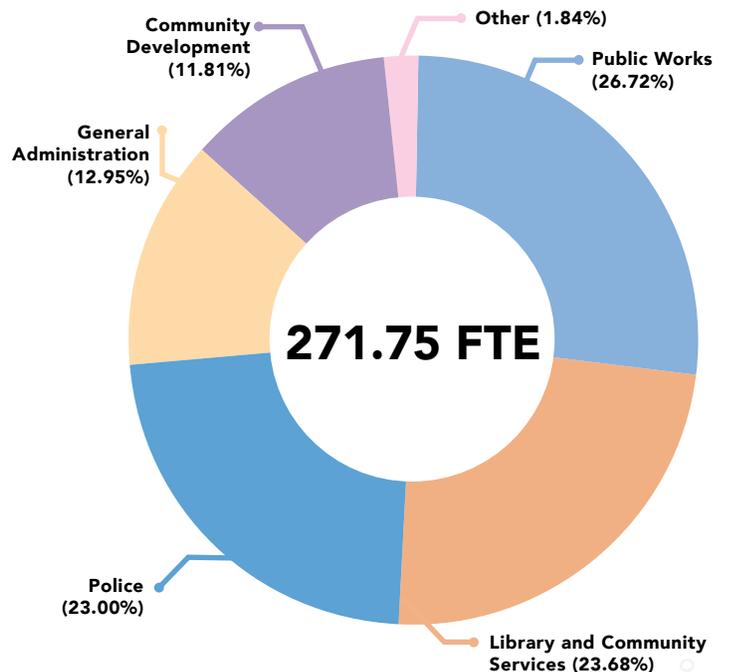
## Full-Time Equivalent (FTE) Personnel

The fiscal year 2020-21 adopted budget included 242.75 full-time equivalent (FTEs) employees, the vast majority funded directly or indirectly through the General Fund. The fiscal year 2021–22 adopted budget includes a net increase of 4 FTEs as a result of mid-year authorization for positions in Community Development and Library and Community Services and staffing required advance work on City Council priorities.

For comparability to the City’s audited financial statements, General Administration is a department inclusive of the City Council, City Attorney’s Office, City Manager’s Office (including city clerk, public engagement, economic development, and sustainability), and Administrative Services (including finance, human resources, information technology, workers’ compensation and general liability).

The substantial changes to staffing enacted at the start of fiscal year 2020-21 remain intact in

Full-time Equivalent Personnel [EXHIBIT GFE.01]

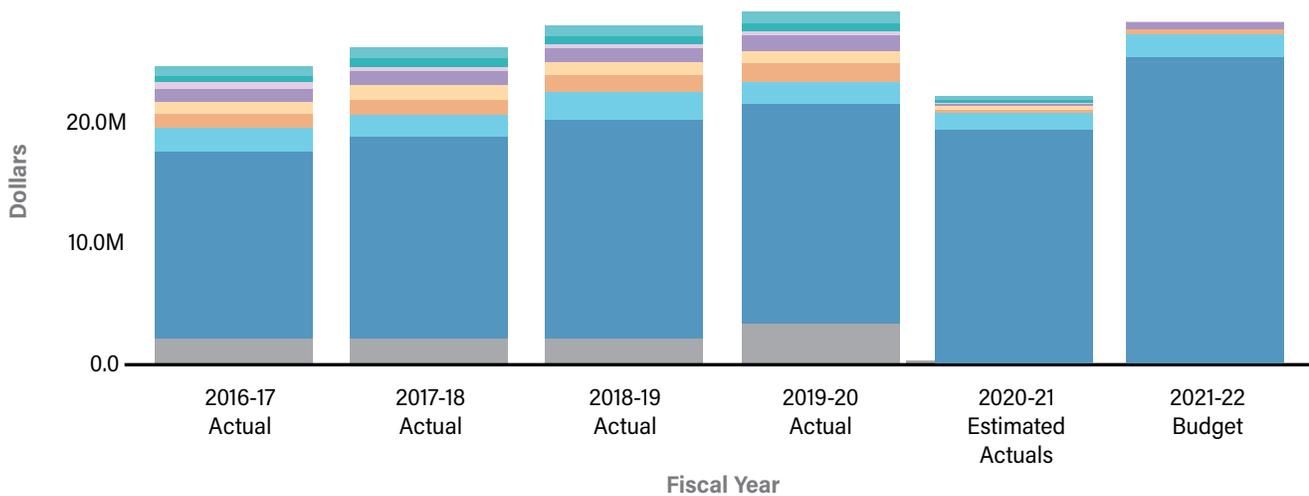


## Salaries and Wages

In total, salaries and wages in fiscal year 2021–22 are budgeted at \$27.27 million, a \$2.20 million or a 8.8 percent increase over the prior fiscal year’s amended budget, driven primarily by increases to staffing levels to return services eliminated or suspended during the pandemic though offset partially by more conservative estimates of costs associated with hiring new staff. This category includes base salary and all salary related compensation such as overtime and incentive pays.

The City has negotiated agreements with three of its four labor units which include cost of living adjustments. The cost increases for these agreements have been incorporated into the adopted budget and the City continues negotiations with units whose agreements expire at the end of the fiscal year. Due to the timing of these negotiations, any subsequent costs will be incorporated into the budget through a mid-year budget amendment.

Salaries and Wages [EXHIBIT GFE.02]



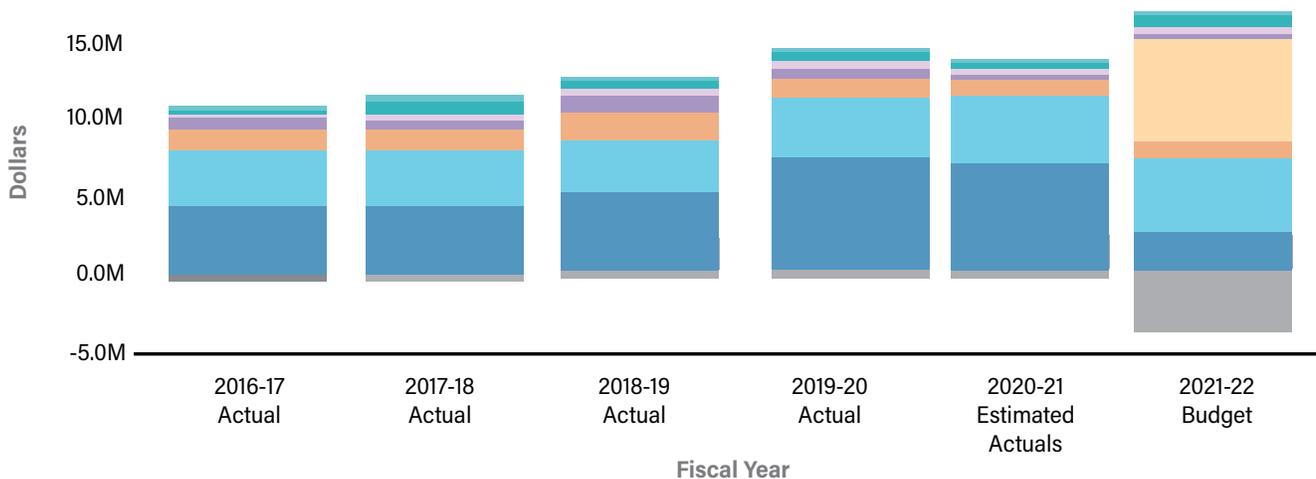
## Fringe Benefits

Total fringe benefits in fiscal year 2021–22 are budgeted at \$11.95 million, a \$0.64 million or a 5.1 percent decrease over the prior fiscal year’s amended budget. Included in the fringe benefits budget are three major benefits: retirement/pension, contributions to the City’s cafeteria plan through which employees purchase medical insurance, and internal service charges for workers’ compensation and retiree.

The difference in change between salaries and wages and fringe benefits is driven largely by several factors. First, the City’s costs for administration of its retirement contract are increasing as a share of wages due to assumption changes made by CalPERS beginning in December 2016. Second, the City made supplemental payments to CalPERS in fiscal years 2019-20 and 2020-21 in order to reduce the long-term interest payments on unfunded retirement liabilities. The 2021-22 adopted budget includes an additional payment to the unfunded accrued liability using the Strategic Pension Reserve Fund. Finally, the fiscal year 2021-22 budget reintroduces a vacancy factor, or negative expenditure, in order to plan for vacancies throughout the year as newly-authorized positions are recruited and other staff members retire or leave the organization.



**Fringe Benefits by category** [ALL FUNDS EXHIBIT GFE.03]



## Non-Personnel Operating Costs

The remaining 36.2 percent, or \$22.27 million, of the General Fund's expenditures consists of non-personnel costs. These expenditures are broken down into a number of distinct categories: operating, utilities, services, fixed assets and capital outlay, travel, repairs and maintenance, special projects and transfers out. A brief description of the types of expenditures in each category is provided below.

### Operating Expenditures

Operating expenditures, which total \$6.80 million in fiscal year 2021–22, include spending on a wide variety of supplies, materials, and other items related to the operation of the City. The largest expenditure in this category, \$2.64 million, is the General Fund's share of the information technology internal service fund charge. As part of this structure, all operating and capital costs associated with information technology are centralized in a distinct fund resulting in allocation charges to operating departments. This mechanism provides for centralized purchasing and coordination of technologies to ensure that the City's buying power across all departments is used to the fullest benefit.

Other significant expenditures include \$0.74 million for the General Fund's share of the City's General Liability Internal Service Fund and \$0.54 million for vehicle replacement costs.

### Utilities

The budget for utilities, including gas, electricity, water and telecommunications, total \$1.53 million in fiscal year 2021–22. Of the total, 48 percent goes toward gas and electricity, 41 percent to water and the remaining 11 percent for telecommunications.

### Travel and Meetings

The travel and meetings category, budgeted at \$0.07 million in fiscal year 2021–22, consists of travel and meeting costs related to training and seminars, including the cost for mileage reimbursements.

### Special Projects

Expenditures in this category, \$0.29 million in fiscal year 2021–22, are primarily for the Community Funding Grant Program, which provides funds to non-profit organizations which benefit the community with services and programs not offered by the City.

### Services

Budgeted expenditures in this category total \$8.62 million in fiscal year 2021–22 and cover a wide variety of service areas, including plan checking services, legal services, the annual financial audit, consultants for special studies, the median landscaping contract and street sweeping. The \$8.07 million total in fiscal year 2021–22 is \$1.34 million higher than the prior year's amended budget in recognition that increasing service levels also includes increased overall contracted costs.

### Fixed assets and capital outlay

Budgeted expenditures for fiscal year 2021–22 are \$0.34 million and consist of purchases of items such as office equipment and other specialized equipment required by the operating departments.

### Repairs and maintenance

This category has budgeted expenditures of \$1.03 million in fiscal year 2021–22, which covers a wide variety of repair and maintenance activity. Other significant expenditures include maintenance on the City's communications equipment, vehicle maintenance and building repairs.

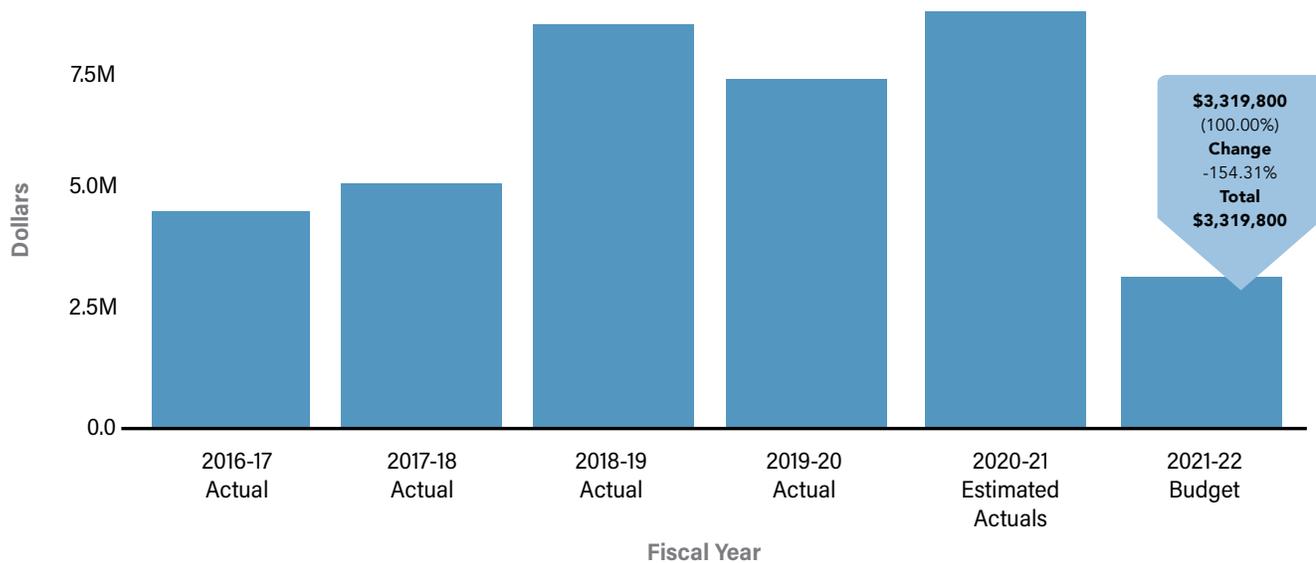


## Transfers to Other Funds

The General Fund’s transfers to other funds is an important component of the City’s long-term fiscal health. In fiscal year 2020–21, the total transfers to other funds is \$3.32 million. Of this amount, \$3.05 million is a transfer to the General CIP Fund to provide funding for a number of projects discussed more fully in the Capital Improvement Plan section of this document. As

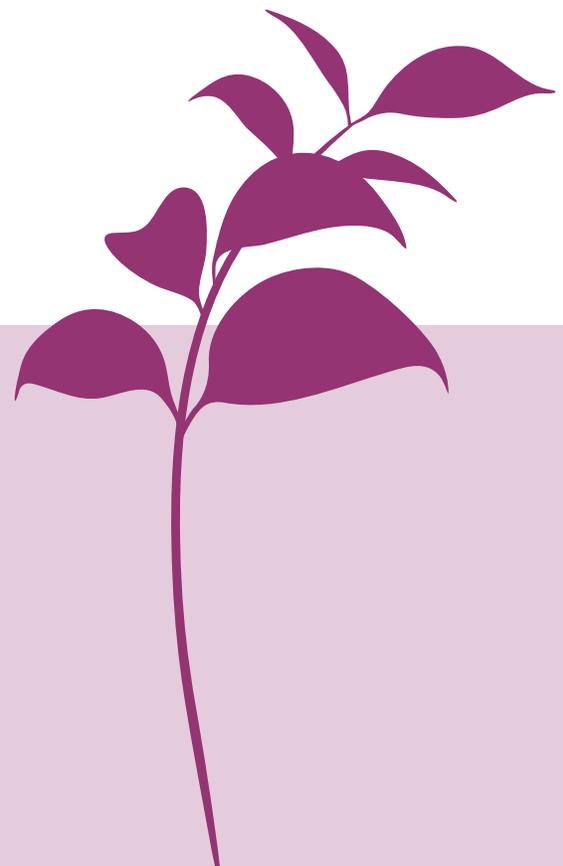
with many cities on the peninsula, the City’s infrastructure is aging reflecting an ongoing maintenance and replacement schedule. The City must prioritize which projects are addressed each year to balance available funding with available staff resources necessary to manage the Capital Improvement Plan (CIP).

Transfer to other funds [EXHIBIT GFE.04]



# 4. DEPARTMENTAL SUMMARIES

- A. General administration (pp. 49 - 57)
- B. Community development (pp. 58 - 64)
- C. Library and community services (pp. 65 - 70)
- D. Police (pp. 71 - 76)
- E. Public works (pp. 77 - 83)
- F. Non-departmental (pp. 84 - 88)



# GENERAL ADMINISTRATION



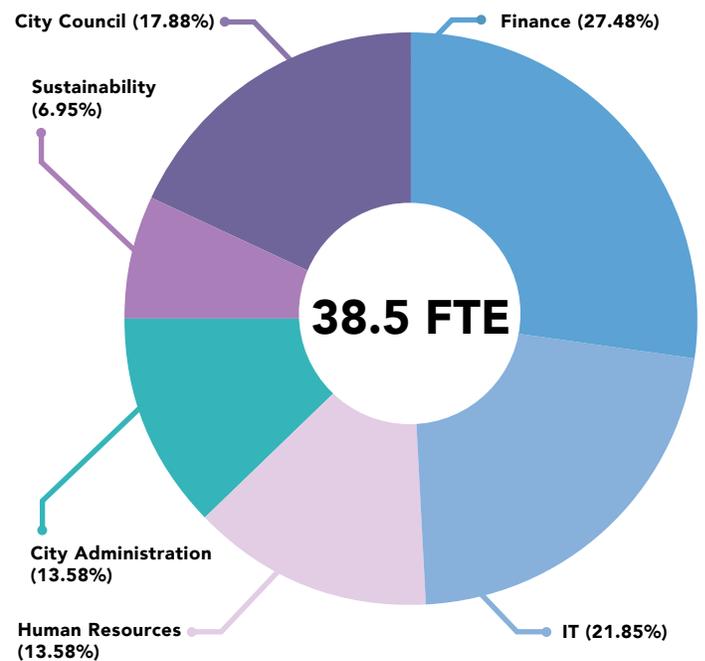
## General Administration

General Administration provides policy, legal, leadership and management services to the entire city, regardless of funding source. The fiscal year 2021-22 General Administration reflects the following changes:

- A consolidated budget for city council, city attorney, city manager, and administrative services to correspond to the reporting structure in the City’s Comprehensive Annual Financial Report (CAFR.) The consolidated budget allows for ease of comparison between the budget document and audited financial statements.
- Move the city attorney budget from a stand-alone department to a line item in the city council’s budget. Before 2020, the city attorney was a part-time employee, and tracking the office’s personnel costs presented a benefit. In 2021, the city council entered into a contract with Burke Williams Sorenson, LLP and the firm now manages all legal services except for those supporting personnel matters and labor negotiations.
- A new budget division in the city manager’s office emphasizing the city council’s priority of improving public engagement.

### 2021-22 General Administration Personnel

[EXHIBIT GA.01]



## City Manager's Office

The City Manager implements the City Council's plans and priorities by coordinating the work of all departments and employees, except the City Attorney.

The City Manager's Office is charged with providing objective, comprehensive expertise to the City Council through clear staff reports and presentations of thoughtful and strategic recommendations. This office also identifies emerging and unmet community needs, linking them clearly to the City's funding priorities and service levels, while supplying helpful information and referrals to residents with questions, comments and concerns. The City Manager's Office improves citywide operational effectiveness and efficiency, conducts studies for organizational improvement, designs and develops performance measures, analyzes proposed and adopted policies, assists in budget development, responds to community issues and coordinates special projects.

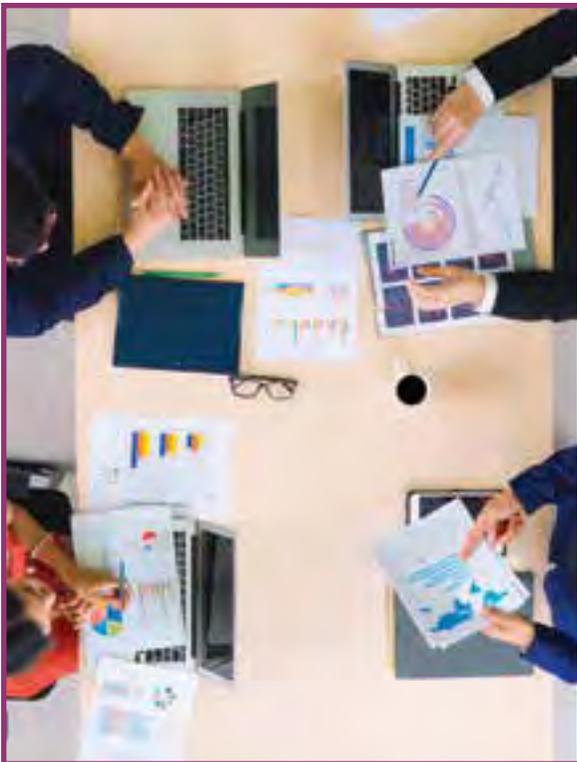
## 2020-21 Highlights

- Maintained a virtual Emergency Operations Center to monitor the COVID-19 pandemic local emergency.
- Executed tremendous cost and resource containment strategies in the City Council's fiscal year 2020-21 adopted budget. City Council approval of the 2030 Climate Action Plan and implementation strategies.
- Lead and managed a public-private partnership between Facebook, Belle Haven residents, and city staff to secure necessary approvals for the Menlo Park Community Campus project, a new facility built by Facebook to replace the Menlo Park Senior Center, Belle Haven Pool, Onetta Harris Community Center, Belle Haven Youth Center, and the Belle Haven branch library.
- Reactivated City Council advisory body commission and committee meetings through online meetings and providing access to recorded advisory body meetings.
- Completed the conversion to district-based elections with the onboarding of Districts 3 and 5 councilmembers elected in November 2020.
- On boarded the City Council's newly appointed City Attorney, Nira Doherty of Burke Williams & Sorensen, LLP.
- Appointed a new police chief following an extensive executive search that drew a highly accomplished and diverse candidate pool.
- Coordinated establishment of interim services for Senior Center, Belle Haven Pool, Onetta Harris Community Center, and Belle Haven Youth Center.
- Partnered with non-profits and County of San Mateo to host COVID-19 vaccines at City facilities in the Belle Haven neighborhood.
- Supported City Council subcommittees on the Menlo Park Community Campus project and ConnectMenlo Community Amenities.2020.
- On boarded the City Council's newly appointed City Attorney, Nira Doherty of Burke Williams & Sorensen, LLP.
- Appointed a new police chief following an extensive executive search that drew a highly accomplished and diverse candidate pool.
- Coordinated establishment of interim services for Senior Center, Belle Haven Pool, Onetta Harris Community Center, and Belle Haven Youth Center.
- Partnered with non-profits and County of San Mateo to host COVID-19 vaccines at City facilities in the Belle Haven neighborhood.
- Supported City Council subcommittees on the Menlo Park Community Campus project and ConnectMenlo Community Amenities.

### City Manager's Office (cont.)

## 2021-22 Budget and Initiatives

- Coordinate phased-in of expanded public access to City facilities and services following the public health emergency.
- Initiate the 2020 census redistricting process.
- Implement City Council adopted milestones for Climate Action Plan No. 1 - Explore policy/program options to convert 95% of existing buildings to all-electric.
- Redesign and update the City's webpage.
- Support City Council recruitment efforts to replace retiring city manager and ConnectMenlo Community Amenities.



## Finance Division

The Finance Division coordinates all taxes, fees and investments, prepares and monitors the annual budget, oversees the purchasing process, pays employees and vendors, and manages the City's general liability risk management program. The Division sets and administers fiscal policies and procedures for all City departments ensuring internal control over City assets. The Division provides:

### Accounting, financial reporting and budget

This function performs accounting for all of the City's financial transactions, prepares the citywide annual financial statements (Comprehensive Annual Financial Report or CAFR), compiles the City Manager's adopted budget, monitors the City Council's adopted budget, provides all other financial reporting required by either agreement or statute and enforces internal controls to protect the City's assets against loss.

### Revenue and Risk Management

This function oversees the City's cash flow to meet cash requirements for operations, collects business license taxes, administers the City's cost recovery program to minimize the use of general tax dollars to support special services, and performs the comprehensive risk management and mitigation function through a Joint Powers Insurance Authority



## 2020-21 Highlights

- Underwent a rigorous budget development process, incorporating feedback from the City Council and community to address the COVID-19 pandemic.
- Transitioned finance activities to a primarily remote model, with minimal staff on-site to reduce risk.
- Began implementation of a new financial accounting system, replacing a legacy system and reducing workload while increasing timeliness of financial data.

## 2021-22 Budget and Initiatives

- Complete the implementation of the City's financial accounting system, including native workflows for purchase requisitions and payment requests, capital asset inventory and depreciation schedule, and automated reporting.
- Stabilize financial processes with new budget and accounting systems, including training of finance and key line department staff.
- Provide support for major ongoing initiatives such as a potential General Obligation Bond issuance.
- Continue to improve on financial reporting, increasing transparency of information and ease of access for members of the community.

## Human Resources Division

The Human Resources Division recruits and retains our well-qualified and diverse workforce that reflects the high standards of the community, maintains positive labor relations, manages workforce safety and succession planning, and



administers compensation and benefits. Human Resources also implements Federal, State and local mandates and requirements related to employment. The Division provides:

### Recruitment and Retention

This function includes employee recruitment, selection, onboarding, and retention of those who are interested in joining a team of dedicated and talented professionals and willing to take on new and exciting projects. Managing and planning efforts to enhance employees work/life balance and support career development.

### Employee and Labor Relations

This function encourages productive employer-employee relations by supporting a positive and respectful work environment enhancing employee consultation through open communication, feedback, recognition and talent management. Staff provides guidance for managers and employees to improve performance, ensure compliance with legal requirements and provide effective problem-solving of complaints and grievances. This function facilitates labor contract negotiations, administration and interpretation.

### Classification, Compensation, and Benefits

This function ensures application of appropriate classification and compensation principles and regulations; and administers leave and benefit programs for employees, appointed and elected officials and retirees.

## Human Resources Division (cont.)

### Organizational and Employee Development

This function involves identification and implementation of training and employee development opportunities to support skill enhancement, acquire new knowledge, and promote innovation and leadership.

### Safety and Workers' Compensation

This function manages the organization's workplace safety programs through active risk management aimed at protecting employee health and safety. Staff ensure injured workers receive benefits and care and safely return to work.

## 2020-21 Highlights

- Implemented new policies and procedures to address the COVID-19 pandemic, including a telework policy, exposure and contact tracing, and expanded leaves under Federal and State guidelines.
- Finalized digitization of workforce management tools, including open enrollment, new hire onboarding, and replacement of legacy paper forms.
- Began negotiating with two of the City's collective bargaining units in order to achieve successor contracts to Memorandums of Agreement expiring at the end of fiscal year 2020-21.
- Enhancements made for technology infrastructure and enterprise business applications.
- Implemented digital features of the land management software system.



## 2021-22 Budget and Initiatives

- Identify Employees satisfaction rate with Human Resources and explore/understand how it can be improved.
- Continue to update and create policies to further reduce City risk of liability and ensure consistent application of rules.
- Continue transition to a new Human Resources Information System for leaves and classifications.
- Develop and improve employee performance management system for consistency, efficiency, and clarity in the process.
- Digitize personnel records system for increased efficiency and consolidation of information.

## Information Technology Division

The Information Technology Division is responsible for the deployment, maintenance and support of the entire organization's technology infrastructure. This includes supporting City operations with effective enterprise technologies consisting of business software applications, data information systems, and computer hardware and software. The Division's goal is to provide a reliable, secure and robust technology environment that ensures the continued business operations of the City.

### Network, systems and telecommunications infrastructure

This function performs accounting for all of the City's financial transactions, prepares the citywide annual financial statements (Comprehensive Annual Financial Report or CAFR), compiles the City Manager's adopted budget, monitors the City Council's adopted budget, provides all other financial reporting required by either agreement

or statute and enforces internal controls to protect the City's assets against loss.

### Business Systems

Enabling City staff to provide a high level of service to the community, the IT Division assists City departments in the evaluation, implementation and support of business applications and technologies used in daily City operations and the effective delivery of community services.

### End User Support

The IT Division continually strives to provide a high level of technical support for City staff. Support desk functions include software/hardware installation and configuration, technical problem resolution and end user training.

## 2020-21 Highlights

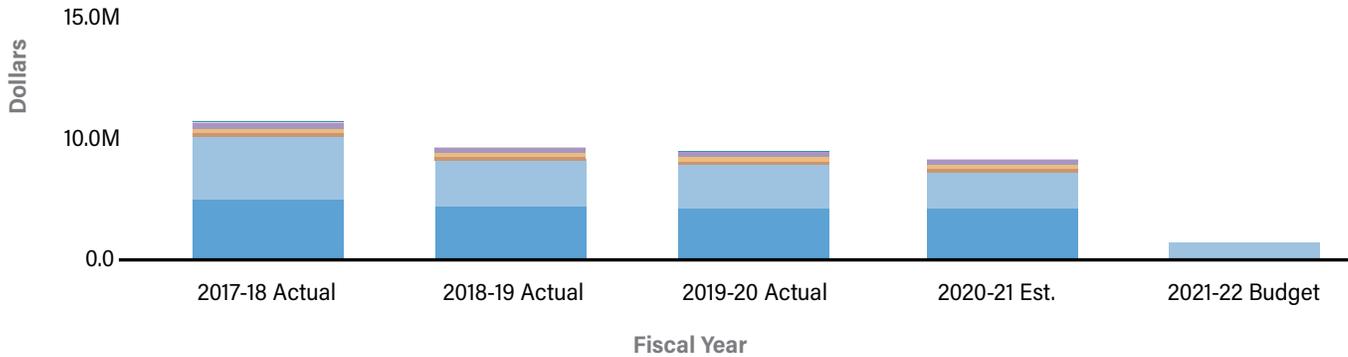
- Implemented digital features of the land management software system.
- Upgraded telecommunications infrastructure and services for resiliency and enhanced features
- Implemented the City's asset management system, which is used to manage and maintain major City assets.

## 2021-22 Budget and Initiatives

- Continued work on IT Master Plan initiatives which include technology infrastructure enhancements and enterprise business applications.
- Cybersecurity enhancements for risk reduction.
- Streamline business practice workflows and complete move to paperless processes.
- Continue to review and revise IT policies and procedures to ensure conformity with current industry best practice.



**General Administration Revenue (All Funds)** [EXHIBIT GA.02]

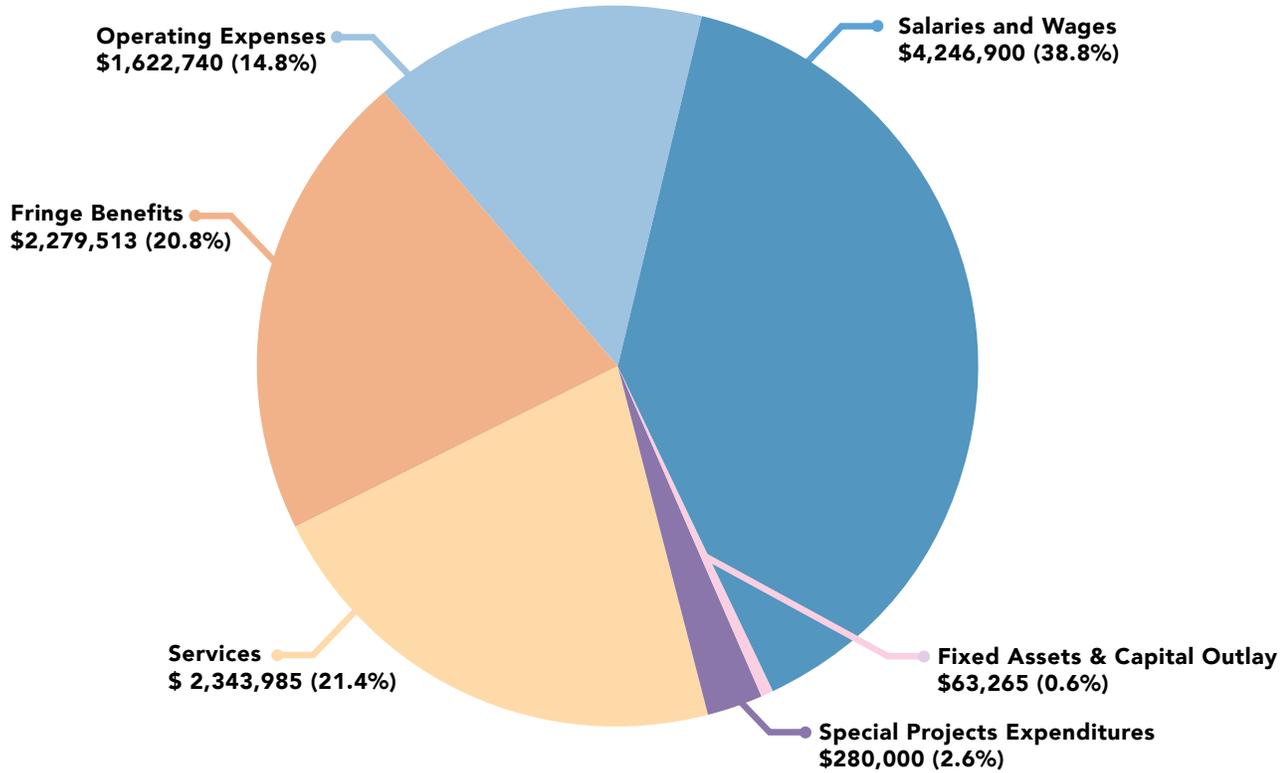


**General Administration Revenue (All Funds)** [EXHIBIT GA.03]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Taxes	\$ 5,438,438	\$ 5,403,000	\$ 5,349,525	\$ 5,268,250	0
Charges for Services	5,406,700	3,341,807	3,046,331	2,882,656	2,781,801
Other Revenue	287,687	314,581	613,637	480,217	0
Use of Money & Property	184,078	272,062	309,604	146,529	0
Licenses & Permits	445,410	3,127	150	0	0
Inter Governmental Revenue	17,902	8,934	0	0	0
Other Financing Sources	5,603	2,325	3,694	2,591	0
<b>Total</b>	<b>\$ 11,785,817</b>	<b>\$ 9,345,835</b>	<b>\$ 9,322,941</b>	<b>\$ 8,780,243</b>	<b>\$ 2,781,801</b>



**General Administration Expenditures (All Funds)** [EXHIBIT GA.04]



**General Administration Expenditures (All Funds)** [EXHIBIT GA.05]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Salaries and Wages	3,385,374	3,417,309	3,836,332	3,980,593	3,479,053	4,246,900
Operating Expenses	3,383,567	3,651,621	1,730,935	2,174,829	180,420	1,622,740
Fringe Benefits	2,079,149	1,568,340	1,726,769	2,051,195	2,429,895	2,279,513
Services	1,860,610	1,929,638	1,776,150	1,685,191	840,100	2,343,985
Special Projects Expenditures	495,728	281,353	339,898	351,583	276,000	280,000
Fixed Assets & Capital Outla	376,384	212,502	171,887	236,274	0	63,265
Utilities	222,010	191,087	192,814	241,029	13,175	23,578
Travel	92,432	90,928	103,096	45,187	2,842	17,250
Rental of land and buildings	39,442	43,709	19,466	40,913	0	43,035
Project Control	0	0	0	0	29,000	30,000
Repairs & Maintenance	\$ 18,035	\$ 3,915	\$ 4,882	\$ 14,210	\$ 0	\$ 7,500
<b>Total</b>	<b>\$ 11,952,731</b>	<b>\$ 11,390,402</b>	<b>\$ 9,902,229</b>	<b>\$ 10,821,004</b>	<b>\$ 7,250,484</b>	<b>\$ 10,957,766</b>

# COMMUNITY DEVELOPMENT



## Department Overview

The Community Development Department is responsible for ensuring a sustainable and vibrant community that supports a high quality of life for residents, businesses and visitors.

The Department is comprised of the Planning, Building and Housing Divisions. Core services performed by the Department include:

- Long Range Planning
- Current Planning
- Building Permitting and Inspection Services
- Affordable Housing

## Current Planning

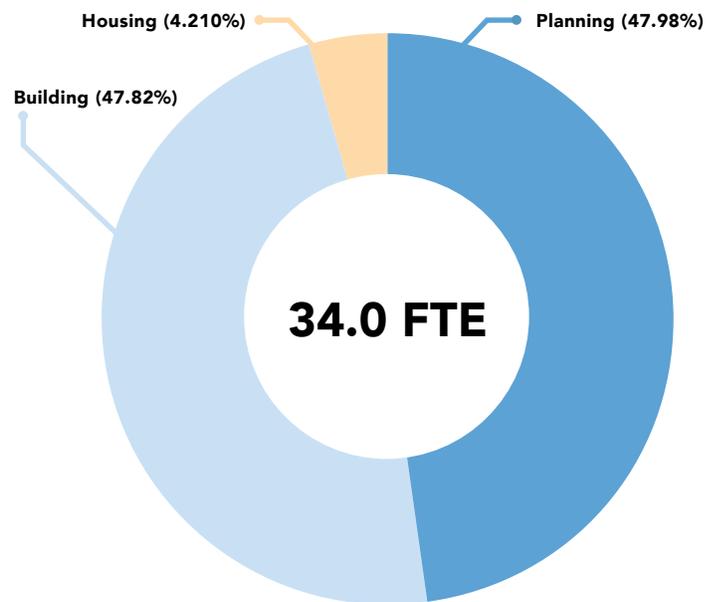
Current planning provides comprehensive services for people needing information and assistance with required review for land use development projects. This includes providing project applicants and interested parties with timely and accurate information regarding city policies, ordinances, regulations and guidelines related to land use development.

Additionally, the Planning Division provides a thorough and structured review of proposed development projects, including environmental review, fiscal impact analysis, historic review and other technical analyses that evaluate the merits of a project leading to a decision. The Division also serves as the staff liaison to the Planning Commission.

## Long Range Planning

The key focus of long range planning is developing, monitoring, updating and integrating land use, economic, transportation and environmental policies to achieve citywide goals and improve the physical and economic environment of the community. This is accomplished primarily through the General Plan and the El Camino/Real Downtown Specific Plan, and other related documents that establish goals, policies and implementation strategies guiding future City decisions to enhance the quality of life.

### Community Development Personnel [EXHIBIT CD.01]



## Building Permitting & Inspection Services

Building permitting and inspection protects the health, safety and welfare of the community by providing information on the building permit process, interpreting the California Building Standards Code and municipal codes, maintaining historic property records, and onsite inspections of current construction projects.

Additionally, this Division coordinates interdepartmental and interagency review of project plans and reviews construction plans for compliance with all State and municipal codes relating to structural, mechanical, plumbing, electrical and grading.

## Affordable Housing

This Division manages the City's affordable housing programs, including preservation and production of below market rate rental and ownership housing. The division administers the City's Below Market Rate (BMR) program, develops housing policy and supports the implementation of the Housing Element and Housing Commission Work Plan to provide and promote new affordable housing opportunities and programs to support a diverse, equitable and inclusive community. Staff serves as the liaison to the Housing Commission.



## 2020-21 Highlights

- Continued transition and implementation of Accela, the City's new permit tracking and land data management system, to increase functionality and better manage workflows while providing improved tools and transparency to the public.
- Conducted ongoing inspections of large construction projects such as Springline (formerly Station 1300), the Guild, and 500 El Camino Real.
- Issued occupancy or temporary certificate of occupancy for several large projects in the Bayfront Area and El Camino Real/Downtown Specific Plan, including Menlo Gateway – Phase II, Facebook Campus Building 22, 650 Live Oak Avenue, 1125 Merrill Street, 1275 El Camino Real, 1285 El Camino Real, and 506-556 Santa Cruz Avenue.
- Received and processed over 3,000 building permits, which was an increase of approximately 40% from the previous fiscal year.
- City Council approved an increase in BMR funding to MidPen Housing's 1300 Willow Road project from \$6.7 million to \$9.331 million for the development of 140 units of affordable housing.
- Released Notice of Funding Availability (NOFA) for approximately \$10 million in BMR housing funds to support the preservation or production of permanent affordable housing.
- Awarded \$5.5 million in BMR housing funds for the purchase and preservation of a 14-unit apartment building restricted for low-income households.
- Continued to lead and support the Menlo Park Homeless Outreach Team (HOT), which consists of staff from the Housing Division, Police Department and community based organizations that provide homeless outreach and support services. City staff work closely with community based organizations and the San Mateo County.

### 2020-21 Highlights (cont.)

Human Services Agency to coordinate and target outreach and referral services, with the goal of ending homelessness in Menlo Park.

- Concluded a public engagement and outreach process on the evaluation of short term rentals and recommended compliance and enforcement of the City's existing municipal transit occupancy tax.
- Issued request for proposals, identified HouseKeys as the new vendor and successfully transitioned BMR housing administration significantly reducing costs while improving and expanding services to the City and the community.
- Finalized the inclusionary housing study (BAE), which evaluated a 2% increase to the existing inclusionary housing requirements and feasibility analysis of developments at various sizes and locations.
- Awarded a \$160,000 SB2 grant to support projects that accelerate housing production, including tools to encourage the development of accessory dwelling units and a \$150,000 Local Early Action Planning (LEAP) grant to assist with the preparation of the Housing Element for the RHNA 6 cycle.
- Continued processing of large projects within the El Camino Real/Downtown Specific Plan Area and the Bayfront Area, including pending projects that could add approximately 3,250 net new residential units, 880,000 square feet of net new office and life science uses, 230,000 sf of retail/commercial use and 350 new hotel rooms.
- Approved first bonus level development in the Bayfront Area, which includes four additional below market rate housing units and a café space as its community amenity.
- Initiated Housing Element Update project, including updates to the Housing and Safety
  - Elements and preparation of an Environmental



Justice Element to plan for approximately 3,000 housing units, address potential risks from environmental hazards, and help ensure that all people can enjoy the same degree of protection from environmental and health hazards and have equal access to the decision-making process.

- Initiated updates to the community amenities process in the Bayfront Area to better align with community interests.
- Created an interactive development projects map showing all pending and approved development projects, as well as projects under construction and those recently completed.

## 2021-22 Budget and Initiatives

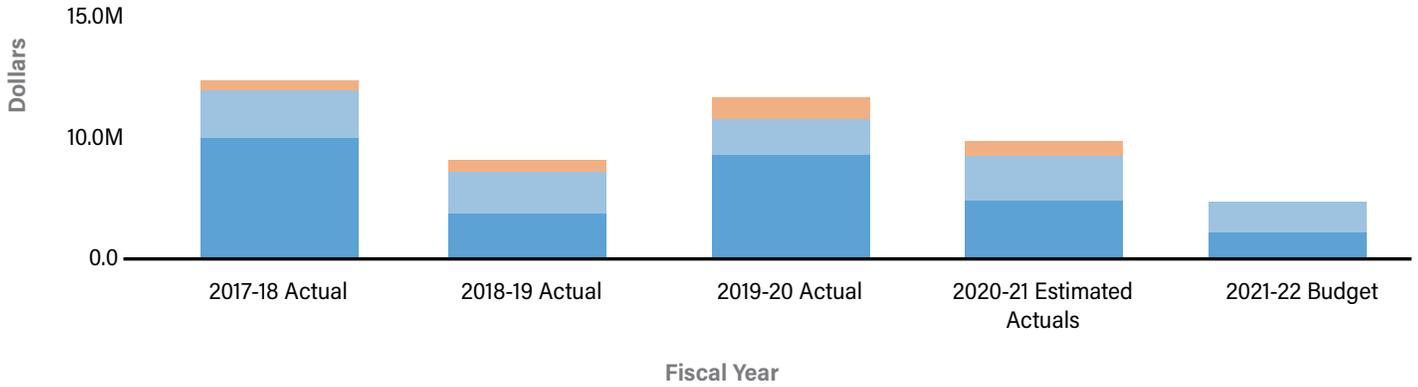
The Community Development Department expects a high level of development interest primarily driven by the adoption of long range planning documents. To meet this increase in projects, the Building Division has requested 3 full-time equivalent (FTE) positions as well as

service level increases in contracted services to meet demand, and the Planning Division has requested 1.5 FTE positions, including the creation of a Planning Manager position. The additional staff resources would improve service delivery and help retain existing staff, provide flexibility in recruiting, and address current and projected demand for development and building permit reviews. The majority of planning review, building permitting and inspection services are self-supporting through fees set to recover service costs.

- Implement SB 2 Grant to support projects that accelerate housing production, including tools to encourage the development of accessory dwelling units.
- Continue preparation of Housing Element Update project, including a broad and inclusive outreach and preparation of an Environmental Impact Report and Fiscal Impact Analysis, for adoption by December 2022.
- Coordinate and complete the building permit review for the Menlo Park Community Campus project.
- Review of large, complex residential, life science, office, and mixed-use development projects located within the Specific Plan and Bayfront Areas, including a 60-acre master plan (Willow Village), plus a 63-acre master plan of the SRI campus (Parkline).
- Pursue ongoing construction management, inspection and occupancy of major residential and mixed-use developments.
- Continue to augment Accela to enhance customer experience and employee efficiency.
- Respond to continued increase in anticipated building permit demand.
- Update the existing BMR Guidelines including modifications to the preferences, maximum household size, homebuyer program and other administrative articles.
- Administer BMR housing funds released as part of the 2020 NOFA to implement preservation and production of affordable housing.
- Continue to execute Climate Action Plan Strategy #1 to explore policy/program options to convert 95% of existing buildings to all-electric by 2030.
- Establish “gatekeeper” process for reviewing community amenities and establish a new community amenities list for bonus level development in the Bayfront Area.



**Community Development Revenue (All Funds)** [EXHIBIT GA.02]

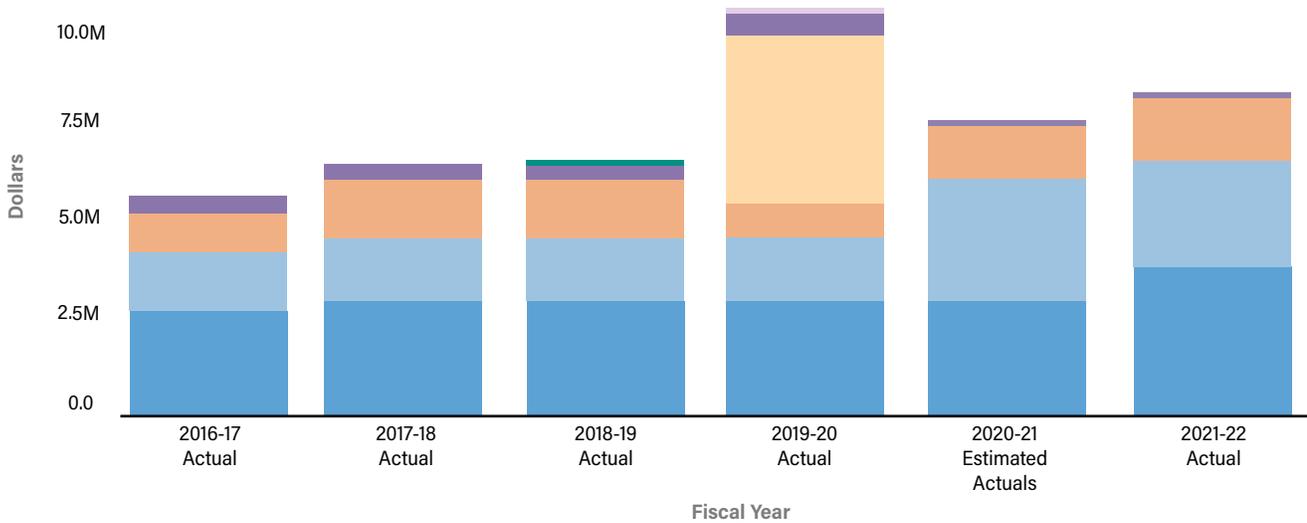


**Community Development Revenue (All Funds)** [EXHIBIT CD.03]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
● Charges for Services	\$ 8,891,974	\$ 2,577,103	\$ 7,619,549	\$ 4,310,561	\$ 1,323,050
● Licenses & Permits	3,791,107	3,334,273	2,217,976	2,945,368	2,245,000
● Use of Money & Property	420,684	807,020	1,211,117	483,119	0
<b>Total</b>	<b>\$ 13,103,766</b>	<b>\$ 6,718,395</b>	<b>\$ 11,048,642</b>	<b>\$ 7,739,048</b>	<b>\$ 3,568,050</b>

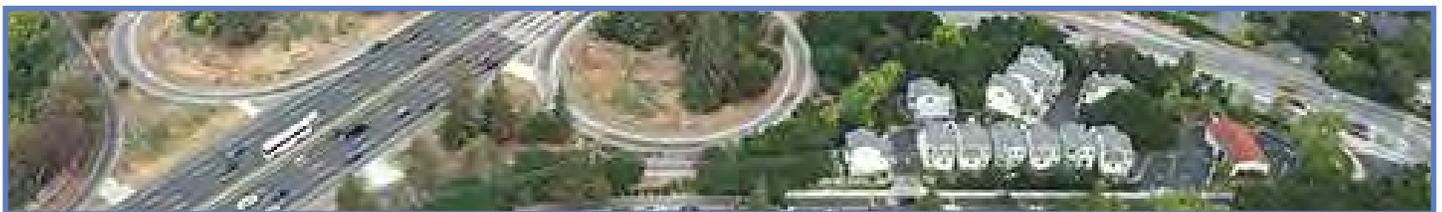


**Community Development Expenditures (All Funds)** [EXHIBIT CD.04]



**Community Development Expenditures (All Funds)** [EXHIBIT CD.05]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Salaries and Wages	2,512,102	2,878,037	2,691,824	2,715,326	2,609,931	3,936,892
Services	1,734,298	1,812,483	2,366,192	2,236,214	3,213,500	2,630,500
Fringe Benefits	1,043,285	1,212,324	1,357,230	1,268,524	1,563,085	1,801,155
Fixed Assets & Capital Outlay	0	0	0	3,640,419	0	0
Operating Expenses	381,338	445,019	591,822	644,699	201,969	563,460
Utilities	21,817	24,435	25,941	27,679	0	0
Travel	3,718	7,642	6,054	1,500	11,200	22,700
Repairs & Maintenance	3,536	4,010	4,105	3,057	10,250	10,250
Special Projects Expenditures	\$ 16,155	\$ 1,667	\$ 360	\$ 236	\$ 6,500	\$ 6,500
<b>Total</b>	<b>\$ 5,716,250</b>	<b>\$ 6,385,617</b>	<b>\$ 7,043,529</b>	<b>\$ 10,537,653</b>	<b>\$ 7,616,435</b>	<b>\$ 8,971,457</b>



# LIBRARY AND COMMUNITY SERVICES



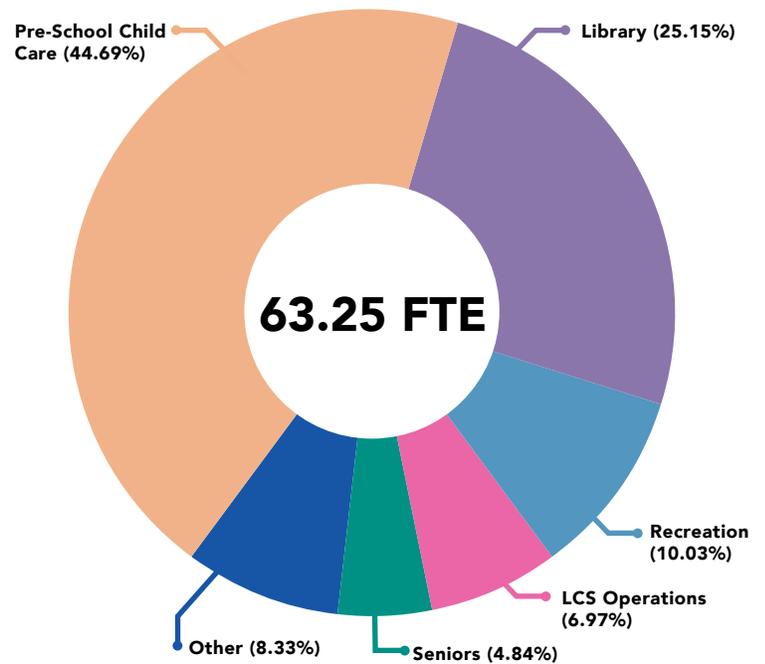
## Department Overview

Total fringe benefits in fiscal year 2021–22 are budgeted at \$11.95 million, a \$0.64 million or a 5.1 percent decrease over the prior fiscal year’s amended budget. Included in the fringe benefits budget are three major benefits: retirement/pension, contributions to the City’s cafeteria plan through which employees purchase medical insurance, and internal service charges for workers’ compensation and retiree.

The difference in change between salaries and wages and fringe benefits is driven largely by several factors. First, the City’s costs for administration of its retirement contract are increasing as a share of wages due to assumption changes made by CalPERS beginning in December 2016. Second, the City made supplemental payments to CalPERS in fiscal years 2019-20 and 2020-21 in order to reduce the long-term interest payments on unfunded retirement liabilities. A similar supplemental payment is not included in the fiscal year 2021-22 proposed budget, reducing the total fringe benefits. Finally, the fiscal year 2021-22 budget reintroduces a vacancy factor, or negative expenditure, in order to plan for vacancies throughout the year as newly-authorized positions are recruited and other staff members retire or leave the organization.

### Library and Community Services Personnel

[EXHIBIT LCS.01]



### Childcare Services

The Belle Haven Child Development Center provides licensed, subsidized child development services for income-qualified children ages 3–5 and is partially funded through State grants. The program includes a nutritional component.

The Menlo Children's Center provides licensed childcare for ages 18 months through five and a half years old, as well as after school care for school aged children. A full-day summer camp program is also provided. All care includes a nutritional component and academic support.

The Belle Haven Youth Center houses the Belle Haven After-School Program, providing licensed childcare for school aged children, as well as a full-day summer camp program. A nutritional component and a homework program is included.

### Youth Services

The Belle Haven Child Development Center provides licensed, subsidized child development services for income-qualified children ages 3–5 and is partially funded through State grants. The program includes a nutritional component.

The Menlo Children's Center provides licensed childcare for ages 18 months through five and a half years old, as well as after school care for school aged children. A full-day summer camp program is also provided. All care includes a nutritional component and academic support.

The Belle Haven Youth Center houses the Belle Haven After-School Program, providing licensed childcare for school aged children, as well as a full-day summer camp program. A nutritional component and a homework program is included.

### Civic Engagement

The Library Commission advises the City Council on matters related to the services, programs, and facilities of the City's libraries and library systems.

The Parks and Recreation Commission advised the City Council on services, programs, and facilities related to the city's parks and recreation.

Newly formed in 2021, the Youth Advisory Committee formally engages teens in community service by advising the Parks and Recreation Commission on recreational and service programs.

The informal Teen Advisory Group (TAG) organizes library events and programs for teens and shares ideas for library services, contests, gaming, and reading for teens.

### Library Services

Menlo Park Library provides public access technology, books, audiovisual materials, educational and literary programs, and a robust suite of virtual library services and electronic resources.

The library also provides critical education and literacy support to vulnerable populations including adult literacy tutoring, English language acquisition, technology access, and after school homework support for students K-12.

### Older Adult Services

The Menlo Park Senior Center provides classes, social services, special events, recreation and social activities for older adults and residents over the age of 55.

Regular programs include a daily nutrition program and meal service, exercise programs, arts



and crafts, peer counseling, insurance counseling, ESL courses, dance and fitness classes, telephone wellness checks, table games, lifelong learning classes, and food pantry distribution.

### Recreation Services

The department supports and provides a wide range of recreational and sports opportunities to the community including basketball, softball, little league, soccer, volleyball, floor hockey, badminton, fitness classes, martial arts, swimming, and more.

### Strategic and Master Plans

The Library and Community Services Strategic Plan Update: 2020 and Beyond is a detailed yet flexible roadmap and performance metrics for the efficient and effective use of department facilities, services, programs, resources, and personnel to serve the Menlo Park community. As is appropriate and necessary in the dynamic and fluid environments in which local governments typically operate, the Strategic Plan Update is a living document that is periodically updated to remain aligned with new operational circumstances, emerging opportunities, and evolving community needs over time.

The Parks and Recreation Facilities Master Plan is intended to provide a road map to guide decision making to help the City maintain, manage and develop its park, open space and recreation facility system for the next 20 years. The Master Plan studies the existing park and recreation facilities, and identifies a planning blueprint to expand, improve and protect these assets and provide recreational opportunities for the future.

The Bedwell Bayfront Park Master Plan provides a vision to guide the development of this unique urban-wildland interface parkland for the next 25 years. The park was originally envisioned and designed to be a passive recreation park with access to nature, scenic views, and proximity to San Francisco Bay. Through an extensive public outreach process that was completed for the project in 2017, these key characteristics of

the park were retained as an important guiding principle.

### Volunteer Support

The City of Menlo Park is fortunate to have the support of multiple corps of skilled volunteers who generously give their time and talent to enhance services and resources to the community

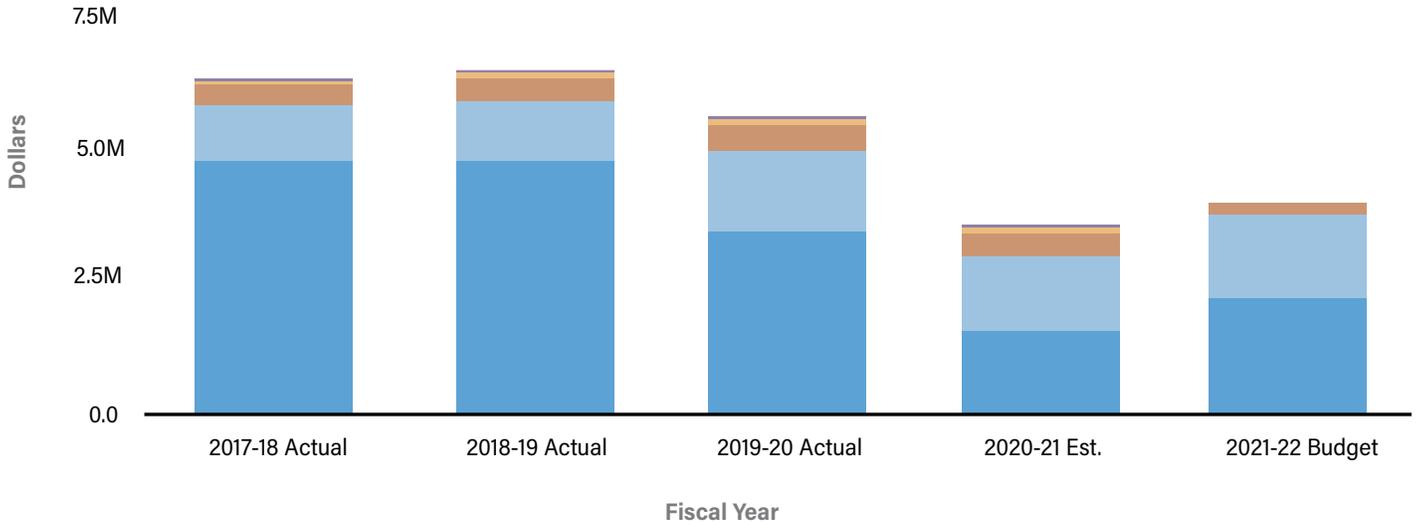
Friends of Menlo Park Library is an independent nonprofit organization whose sole mission is to fundraise and support Menlo Park Library programs and services. Organized as a 501(c)(3) charitable nonprofit, Friends of Menlo Park Library is an all-volunteer organization that fundraises primarily by accepting donations of gently used books and reselling them through library booksales and a small bookstore in the Main Library, in addition to accepting direct financial donations.

Menlo Park Library Foundation is an independent nonprofit whose sole mission is to support Menlo Park Library special programs and capital projects through private philanthropic support. Organized as a charitable 501(c)(3) nonprofit, Menlo Park Library Foundation is an all-volunteer organization that fundraises primarily by accepting direct financial donations from private individuals and entities that seek to improve the local community through public library program and facility enhancements.

Individual volunteers provide welcome additional support for a wide range of program activities, including senior center programs, library programs, food pantry distribution, homework tutoring for students, special events, community garden programs, and adult literacy and ESL tutoring.

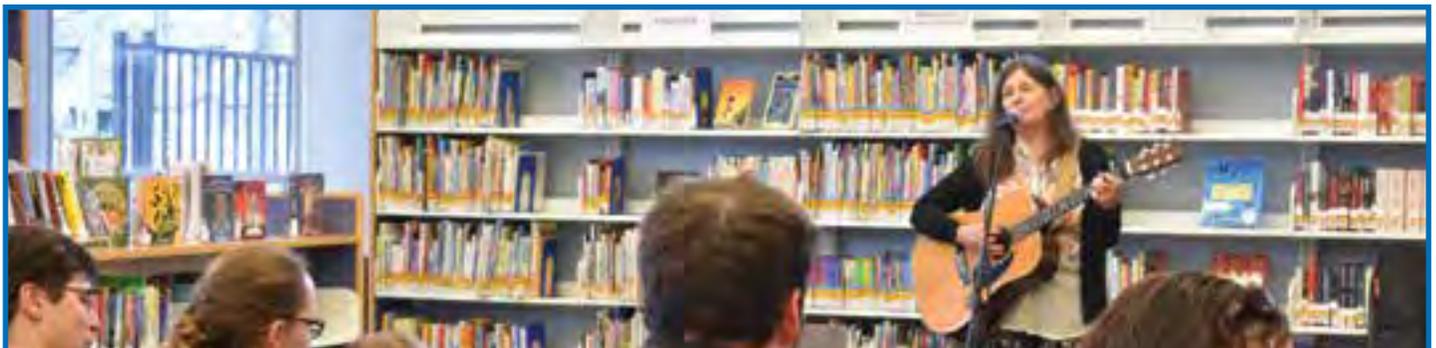


**Library and Community Services Revenue (All Funds)** [EXHIBIT LCS.02]



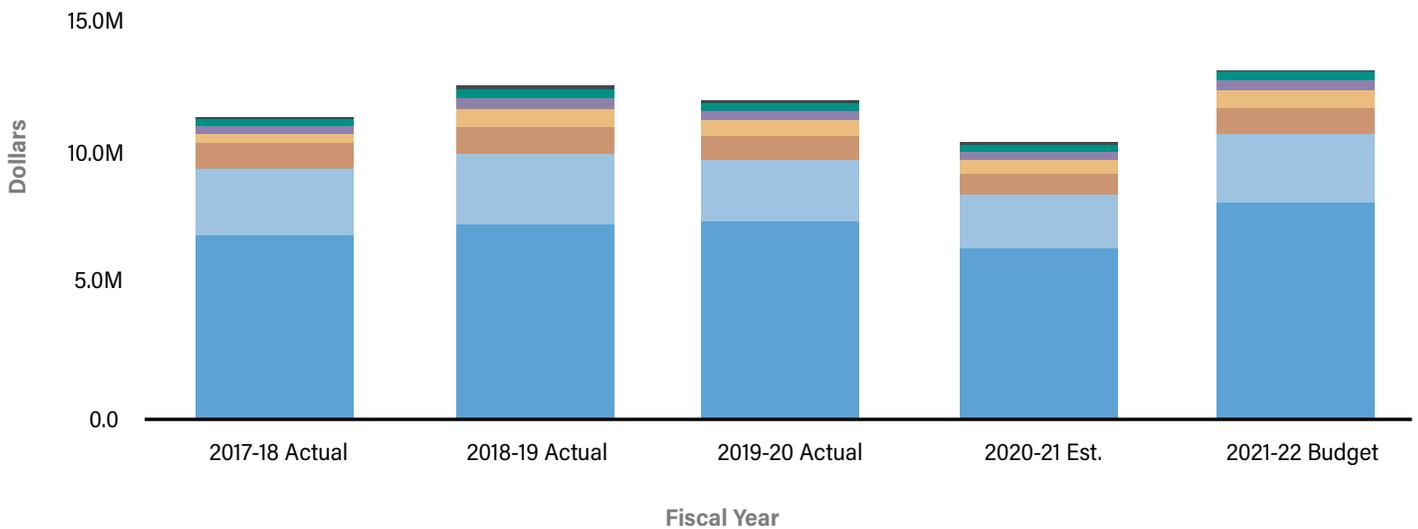
**Library and Community Services Revenue (All Funds)** [EXHIBIT LCS.03]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Charges for Services	\$ 4,904,041	\$ 4,945,063	\$ 3,473,560	\$ 1,419,660	2,087,200
Inter Governmental Revenue	1,371,409	1,439,336	1,616,534	1,485,015	1,523,900
Other Revenue	118,085	285,821	120,301	285,652	125,000
Other Financing Sources	65,876	124,296	291,344	27,508	0
Fines	63,846	40,538	19,727	1,884	0
Use of Money & Property	992	4,874	5,842	445	0
<b>Total</b>	<b>\$ 6,524,249</b>	<b>\$ 6,839,929</b>	<b>\$ 5,527,308</b>	<b>\$ 3,220,164</b>	<b>\$ 3,736,100</b>





**Library and Community Services Expenditures (All Funds)** [EXHIBIT LCS.04]



**Library and Community Services (ALL FUNDS)** [EXHIBIT LCS.05]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Salaries and Wages	\$ 5,700,508	\$ 6,150,234	\$ 6,278,560	\$ 4,953,924	\$ 6,233,581
Fringe Benefits	2,435,584	2,915,718	2,958,865	2,577,339	3,327,487
Operating Expenses	1,438,029	2,082,571	1,800,856	1,611,132	2,286,260
Services	914,717	951,070	820,879	333,011	735,620
Utilities	497,565	527,875	515,778	510,291	410,616
Repairs & Maintenance	277,593	235,484	287,623	267,168	328,000
Fixed Assets & Capital Outlay	186,812	118,539	63,781	131,281	120,360
Transfers	10,876	14,296	54,292	30,099	0
Travel	16,536	17,374	14,923	14	6,200
Rental of land and buildings	2,376	6,296	25	0	0
Special Projects Expenditures	440	689	645	252	0
<b>Total</b>	<b>\$ 11,481,035</b>	<b>\$ 13,020,145</b>	<b>\$ 12,796,226</b>	<b>\$ 10,414,512</b>	<b>\$ 13,448,124</b>

# POLICE



## Department Overview

The Menlo Park Police Department is responsible for general public safety and order for our residents and visitors. The Police Department operates a full-service police agency administering public safety - committed to protecting lives and property, preventing crime, maintaining public order, thoroughly investigating crimes, enforcing municipal codes, traffic enforcement and partnering with our community. The members of the Menlo Park Police Department are dedicated to providing high quality service to the public through swift response, fairness, and equity towards every person we contact.

Operationally, this department provides the following services:

### Department Administration

The Administrative Division consists of department command staff, records, property & evidence, police training and emergency preparedness personnel. This includes department operations where records staff processes citations subpoenas, parking permits, crime statistics reporting, property and evidence management, coordination with the District Attorney's office and preparing case information. Additionally, this division is responsible for the professional development of police employees by planning and implementing training that meets or exceeds legal mandates. The division coordinates with the Menlo Park Fire Protection District on emergency preparedness plans and training.

### Patrol

The Patrol Services Division is the most visible part of the Police Department, consisting of uniformed officers and professional staff who are making contact with residents, business owners and visitors on a daily basis. Patrol Services provides the first level of police response to a myriad of emergency and non-emergency calls. During fiscal year 2019– 2020, the Patrol Services Division handled over 23,000 calls for service and over 16,000 officer initiated incidents. Patrol Services include: traffic and parking enforcement, community service and community safety police

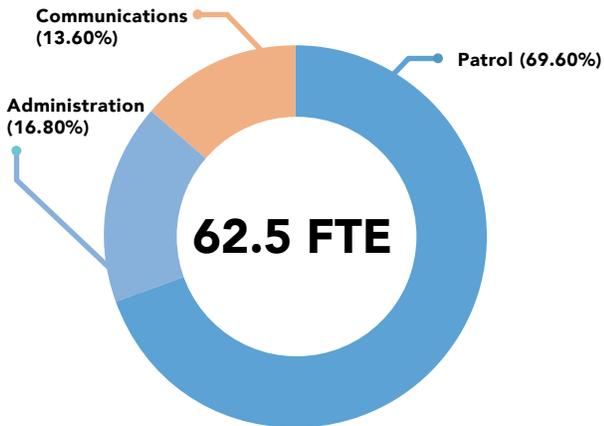
officer programs, code enforcement, special events coordination, SWAT, field training, traffic collision investigation team and the crisis intervention team.

### Investigation

The Investigations Division is comprised of the General Investigations Unit and the Special Investigations Unit. The General Investigation Unit handles all assigned general criminal investigations while assisting patrol services at major crime scenes or with other complicated cases. Cases range from burglaries and robberies to large-scale frauds including identity theft, crimes against children, sexual assaults and homicides. Additionally, it conducts periodic probation and parole checks undercover operations, coordinating and working collaboratively with other law enforcement organizations and task forces on a variety of quality of life concerns.



**Police Personnel** [EXHIBIT PD.01]



**Dispatch**

The public safety dispatch center is operational 24/7 including holidays and weekends in order to receive service calls from the public (and other agencies) as well as support officers via radio communications, and is considered an area Public Safety Answering Point (PSAP). Dispatchers run suspect and premise checks, verify identification and enter various other information into statewide databases, i.e., stolen vehicles, stolen property or missing persons. Our state-of-the-art dispatch center receives 911 calls from landline, VOIP and cellphone callers, and “text to 911” calls. In the past year, ninety percent of the nearly 10,000 emergency calls were answered in 10 seconds or less.



## 2020-21 Highlights

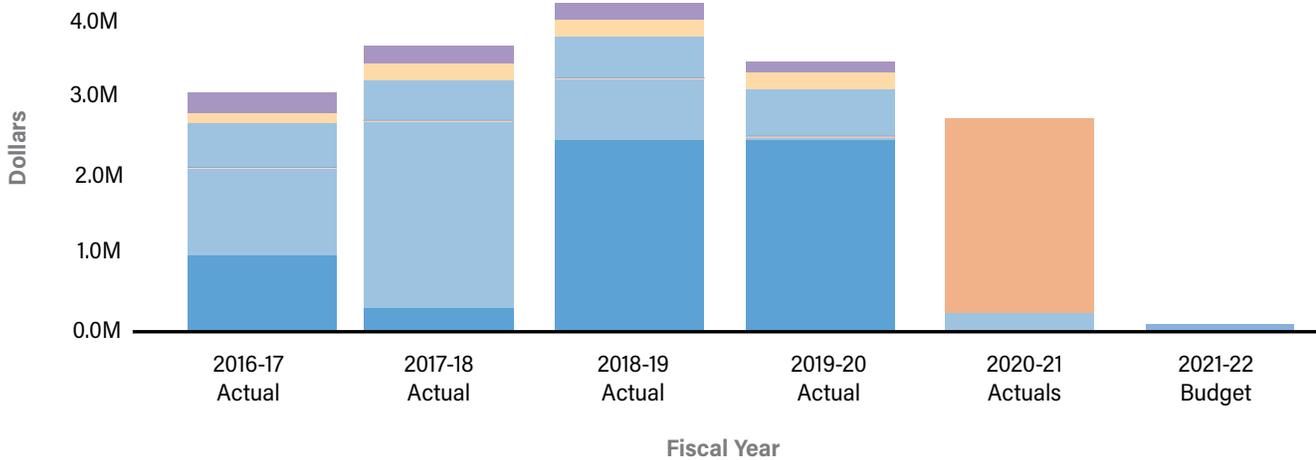
- The Police Department published the following information via the web detailing what we do daily to maintain community trust and transparency. Building Community Trust
- The Police Department Facilitated Implicit Bias Training for all Police Department Personnel and assured all policies were in compliance with the latest legislation and best practices involving use of force. Policies are all available online as required by law. The department also began plans to begin mandated stop-data reporting by putting technical assets in place to collect, process and relay this data to the state, as well as protocols and training to assure officers are ready to comply with this new requirement at the beginning of 2022.
- Even though City buildings closed, records was able to navigate transitioning many duties to an electronic platform in order to serve the public, i.e. records requests, clearance letters, permit requests, etc. via email. Those items that could not be done electronically were handled by our dispatch center that was fully staffed at all times. Menlo Park also successfully installed a new records

counter that is both a security measure and aesthetically pleasing.

- The department prepared for and facilitated “Community Listening Sessions” to solicit feedback on how the organization is perceived and how the department is meeting community expectations.
- Amidst the COVID Pandemic, in these uncertain and unprecedented times, Police field units continue to patrol and respond to a myriad of calls for service with little to no discretion or control of person-to-person (human to human) interaction. Despite soaring temperatures of Summer, inclement weather of Winter and the choking smoke of extended fire season all coupled with the ever-present risk or COVID exposure, P.D. staff continue to answer the call. Despite shelter-in-place orders and reduced public dining and shopping, MPPD Officers still responded to over 20,000 calls for service from the public. Police Department staff continue to provide superior public safety services to the Menlo Park Community including miscellaneous service calls, medical aid calls, emergency responses and various critical incidents.



**Police Revenue (All Funds)** [EXHIBIT PD.02]



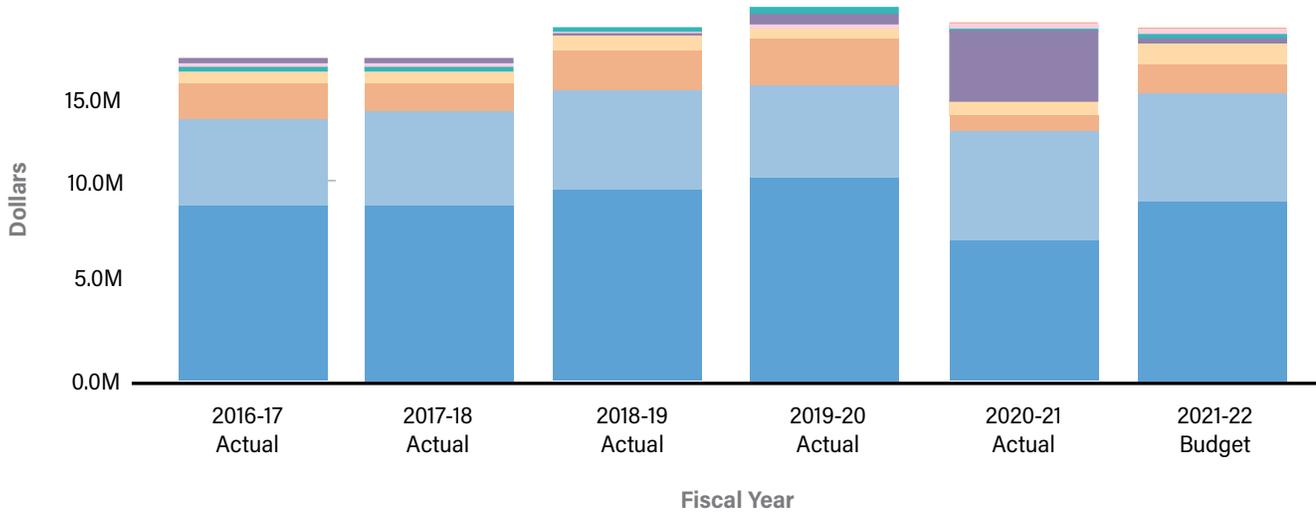
**Police Revenues** [EXHIBIT PD.03]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actuals*	2021-22 Budget
Charges for Services	\$ 23,393,664	\$ 369,491	\$ 2,564,835	\$ 2,551,824	\$ 0	\$ 0
Fines	1,754,771	2,961,557	1,399,465	689,414	268,644	135,000
Other Financing Sources	0	0	0	0	2,607,766	0
Inter Governmental Revenue	131,844	219,591	180,789	205,066	0	0
Licenses & Permits	248,384	230,498	190,170	133,362	0	0
Use of Money & Property	1,967	3,744	7,938	6,963	0	0
Other Revenue	0	0	0	7,121	0	0
<b>Total</b>	<b>\$ 3,185,308</b>	<b>\$ 3,784,881</b>	<b>\$ 4,343,197</b>	<b>\$ 3,593,750</b>	<b>\$ 2,876,410</b>	<b>\$ 135,000</b>

\*In 2020-21 reimbursement revenue from Facebook Development Agreement moved to the Bayfront Mitigation Fund



**Police Expenditures (All Funds)** [EXHIBIT PD.04]



**Police Expenditures (All Funds)** [EXHIBIT PD.05]

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actuals	2021-22 Budget
Salaries and Wages	\$ 9,510,034	\$ 9,661,756	\$ 10,419,692	\$ 10,916,385	\$ 8,039,897	\$ 9,592,625
Fringe Benefits	4,452,321	4,767,659	5,196,429	5,066,335	5,679,684	5,624,939
Operating Expenses	1,918,333	2,488,688	2,175,829	2,291,101	611,423	1,729,260
Services	543,854	533,839	819,022	550,785	665,400	899,148
Transfers	0	0	0	240,000	3,675,276*	0
Repairs & Maintenance	205,761	203,706	223,108	313,651	201,870	293,501
Utilities	130,606	153,909	156,346	149,296	131,074	140,873
Fixed Assets & Capital Outlay	86,677	68,032	11,279	306,642	19,970	93,100
Rental of land and buildings	63,721	61,141	61,807	99,003	55,503	140,900
Travel	625	1,583	979	979	0	5,000
Special Projects Expenditures	0	0	195	198	0	0
<b>Total</b>	<b>\$ 16,911,932</b>	<b>\$ 17,940,311</b>	<b>\$ 19,064,685</b>	<b>\$ 19,064,685</b>	<b>\$ 19,080,097</b>	<b>\$ 18,519,346</b>

# PUBLIC WORKS



## Department Overview

The Public Works Department is responsible for building and maintaining the City's infrastructure and facilities, and for providing street, sidewalk, water, stormwater, parks, trees and transportation services.

The Department protects the City's investments in infrastructure and public facilities to ensure the health and safety of the community in an efficient, sustainable and cost effective manner. This Department consists of three Divisions: Engineering, Maintenance and Transportation.

## Engineering Division

Engineering has three sections: Capital improvements, Development services, and Utilities.

### Capital improvement section

This section manages the City's capital improvements, including construction and maintenance of City infrastructure and facilities. The design of capital improvement projects is done in-house or in conjunction with professional consultants. Capital improvement projects are publicly and competitively bid and built by general contractors. Each year, this section assesses the infrastructure needs and develops a five-year improvement plan and budget. These projects include street and parks improvements, sustainability projects, and rehabilitation of city facilities, as detailed in the annual capital improvement plan. The program is managed by staff and supported by consulting firms.

### Development services section

The Development services section ensures that private development and activities within the public right-of-way meet the required standards and conditions set by the City. The section manages encroachment permits for private developers, utility companies, property owners and contractors working within the City's public right-of-way ensuring that the infrastructure constructed both on private property and in

the public-right-of-way meets the appropriate engineering standards and regulatory requirements for grading, drainage, Federal Emergency Management Agency compliance and stormwater management. Development services provides timely comprehensive plan review and inspection. Given the number of large projects currently in construction and the overall private development activity levels, the section also depends on consultants for plan checking and contract inspectors.

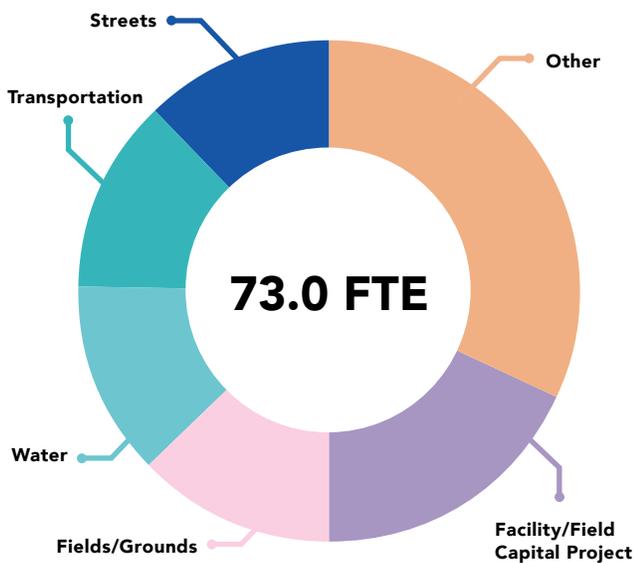
### Utilities section

The Utilities Section manages Menlo Park Municipal Water, the City's storm drain system and the leachate and gas collection systems at Bedwell Bayfront Park.

Menlo Park Municipal Water provides safe and reliable potable water to 16,000 customers through 55 miles of water mains and 4,400 service connections (residential, commercial, industrial, institutional, irrigation, and fire) ensuring that water quality meets Federal Safe Drinking Water Act standards. The water distribution system includes a pump station and two reservoirs holding 5.5 million gallons of potable water. The Utilities section manages new water connections, oversees the cross-connection control program, handles water billing, enforces water conservation regulations, evaluates potable water reliability and alternate sources of water, and develops and manages the water infrastructure, such as emergency well and water main replacements. As part of the stormwater management effort, the Utilities section assesses flood risk and storm preparedness; plans for flood protection and infrastructure needs; participates in OneShoreline, the San Mateo County Flood and Sea Level Rise Resiliency District; implements pollution prevention policies ensuring compliance with the National Pollution Discharge Elimination System permits; meets regulatory requirements protecting creek and bayland habitats; and coordinates with regional entities on stormwater management. Stormwater capital projects are also developed and managed by the Utilities section.

The City owns Bedwell Bayfront Park, a former landfill that closed in 1984. The Utilities section manages the leachate and gas collection, handles systems in accordance with the State Water Resources Control Board and Bay Area Air Quality Management District regulations, and plans for capital improvements. The program is managed by staff and supported by consulting firms.

**Public Works Personnel** [EXHIBIT PW.01]



**Maintenance Division**

The Maintenance Division provides many of the basic services affecting the daily lives of everyone living, working, visiting and commuting within the City. This Division supports all other departments through facilities, parks, fleet, trees and streets.

**Facilities section**

Facilities provides operations, maintenance and repair services for the 26 City-owned facilities, totaling over 250,000 square feet of building space. The Facilities section is managed by staff

and supported by contractors to manage custodial services, commercial kitchens, elevators, burglar alarms, fire alarms, interior and exterior surfaces, heating, ventilation, air conditioning, pest control, electrical power, lighting and more. Facilities staff also manage minor remodel and repair projects, which have been critical to ready facilities to provide in-person services as the pandemic subsides and for preparations for the construction of the Menlo Park Community Campus project. This section also provides the increased custodial services that have been required in response to the pandemic.

**Fleet section**

The Fleet section acquires and disposes of vehicles and equipment, provides preventive maintenance and repairs on vehicles and equipment, and purchases parts and accessories. Currently, the section maintains 200 vehicles and large pieces of equipment, 50 small pieces of equipment and four emergency generators. The section also maintains the underground fuel storage tank system and sells fuel to four outside agencies via shared service agreements.

**Parks section**

Parks maintains and renovates 14 parks and 2 open spaces, 14 playgrounds, 2 dog parks, 9 sports fields, 14 tennis courts, facility grounds, 8 parking plazas and irrigation equipment and medians. This section is responsible for management of the City's herbicide free parks program and maintains landscaping and turf at City parks and facilities. Parks staff is supported by contract services to maintain over 250 acres of parks and open space, including approximately 85 acres of developed parks and grounds. This section has also provided significant support to the temporary street closures along Santa Cruz Avenue to support temporary outdoor use, by placing and maintaining potted trees and plants to improve the ambiance of the space. The Parks section has made significant sustainability improvements to City parks and grounds to reduce potable water use, by removing turf areas and increased plantings with native California species.

### Streets section

The Streets section ensures City's streets are clean and safe by properly maintaining sidewalks, pathways, bicycle bridges and parking lots. City staff and private contractors perform street sweeping, street light and traffic signal maintenance, street striping, storm drain cleaning and emergency pavement repairs. The Section is responsible for approximately 97 miles of streets, 4,000 traffic/street signs, graffiti abatement and public sidewalk hazard reduction through the sidewalk repair and replacement programs. This section has also provided significant support to the temporary street closures along Santa Cruz Avenue to support temporary outdoor uses, by procuring, placing and maintaining the barricades and signs.

### Trees section

Management of the urban forest falls under the Tree section, which promotes a pleasing natural environment with related social, economic and environmental benefits. The Section oversees the heritage tree ordinance, requiring permits for pruning and removing heritage trees on public and private property. In addition, the program maintains 20,000 public trees located in streets, parks and city facilities.

## Transportation Division

The Transportation Division strives to efficiently move people and goods throughout Menlo Park by providing a transportation network through planning, engineering, and education. The Division works to reduce traffic congestion by promoting ride-sharing, bicycling, walking and commute options such as bicycle education and safety programs and securing bicycle and pedestrian infrastructure improvement grants. The City's shuttle program offers residents and local employers free connections between the Caltrain station and key destinations around the City. The Division, with assistance from contractors and consultants, maintains 42 traffic signals, over 2,200 streetlights and all signs and roadway markings throughout the City.

## 2020-21 Highlights

- Received the Tree City USA Growth Award from the Arbor Day Foundation, and implemented many of the City's new Heritage Tree Ordinance requirements
- Accepted into the Federal Emergency Management Agency community rating system that provides flood insurance premium discounts for residents and businesses
- Developed the 2020 Urban Water Management Plan
- Completed the remodel of the police lobby
- Completed the Santa Cruz and Middle Avenues street rehabilitation project
- Through partnership with other agencies, began construction of the Bayfront Canal and Atherton Channel flood protection and habitat restoration project
- Completed the hydration station project, retrofitting 29 indoor and outdoor drinking fountains on five Nealon Park tennis courts
- Completed the 2019 and 2020 street preventive maintenance projects
- Installed permanent turn restrictions in the Willows neighborhood
- Completed the 2019 Citywide engineering and traffic survey and updated speed limits around the City
- Continued implementing strategies identified in the department's organizational review for improvement, including updating standard engineering details, documenting maintenance service levels, and initiating accreditation of the department by the American Public Works Associations

- Implemented asset management and work order system (Cartegraph)
- Adopted the Transportation Master Plan
- Continued collaboration with Facebook on the construction of a new community center and library in the Belle Haven neighborhood
- Completed construction on the Pierce Road sidewalk gap closures
- Began the development of a self-evaluation and transition plan pursuant to the Americans with Disabilities Act
- Began the design of the Bedwell Bayfront Park landfill leachate and gas collection and control systems improvements
- Began construction of the Ravenswood Avenue-Laurel Street Intersection Improvement project
- Secured grant funds (\$520,00) for the Bedwell Bayfront Park entrance improvements project, automated meter infrastructure project (\$500,000)
- Began negotiations with the Ravenswood School District and Menlo Park Fire Protection District for emergency water supply/storage facilities
- Implemented the newsrack ordinance adopted by the City Council in June 2020
- Supported ongoing construction of major redevelopment projects, including projects at Middle Plaza at 500 El Camino Real and Springline at 1300 El Camino Real, Facebook Campus, and the Constitution phase of Menlo Gateway
- Continued progress on the Transportation Management Association feasibility study

## 2020-21 Budget and

### Initiatives

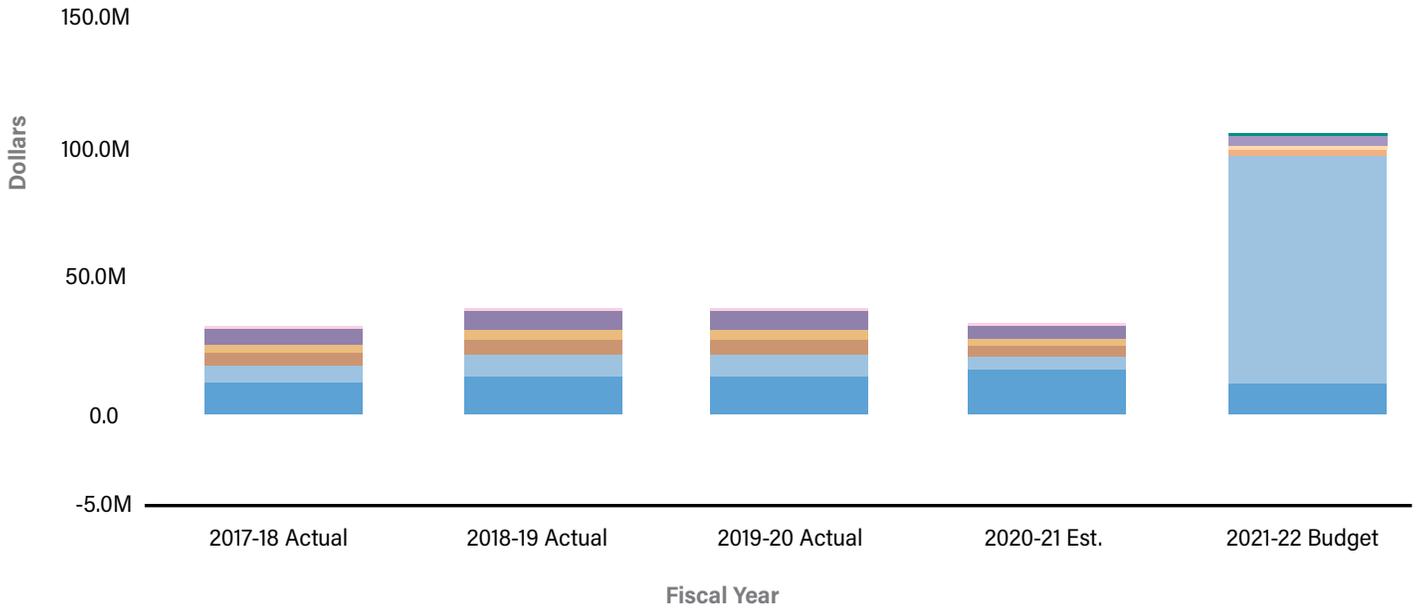
Despite the COVID-19 pandemic, the demand for public works services has continued. All of public works core services have continued to operate, including critical maintenance functions, operation and management of the water system, capital project design and construction, permitting and inspection in the public right-of-way, and transportation services.

The department has significantly altered operations to ensure safety of employees and the public and adapted the encroachment permitting process to be fully paperless and electronic. In many cases, increased demands for maintenance have occurred, such as that for public outdoor spaces and custodial/cleaning services in City facilities. In addition, permitting and inspection, such as that for utility improvements for improved internet and communication services, demands also continue to be high as many residents and children are working and learning virtually.

### Department goals and initiatives for fiscal year 2021-22 include:

- Continue to reduce the capital project backlog
- Advance efforts to plan, fund and construct resiliency projects, such as SAFER Bay
- Begin to implement the recently adopted Transportation Master Plan, with a focus on projects that reduce vehicle miles traveled
- Continue timely processing of encroachment permit and development applications
- Identify the next phase of water system capital projects, including emergency supply/storage projects, to ensure the reliability of the system
- Complete American Public Works Association accreditation

**Public Works Revenues (All Funds)** [EXHIBITPW.02]

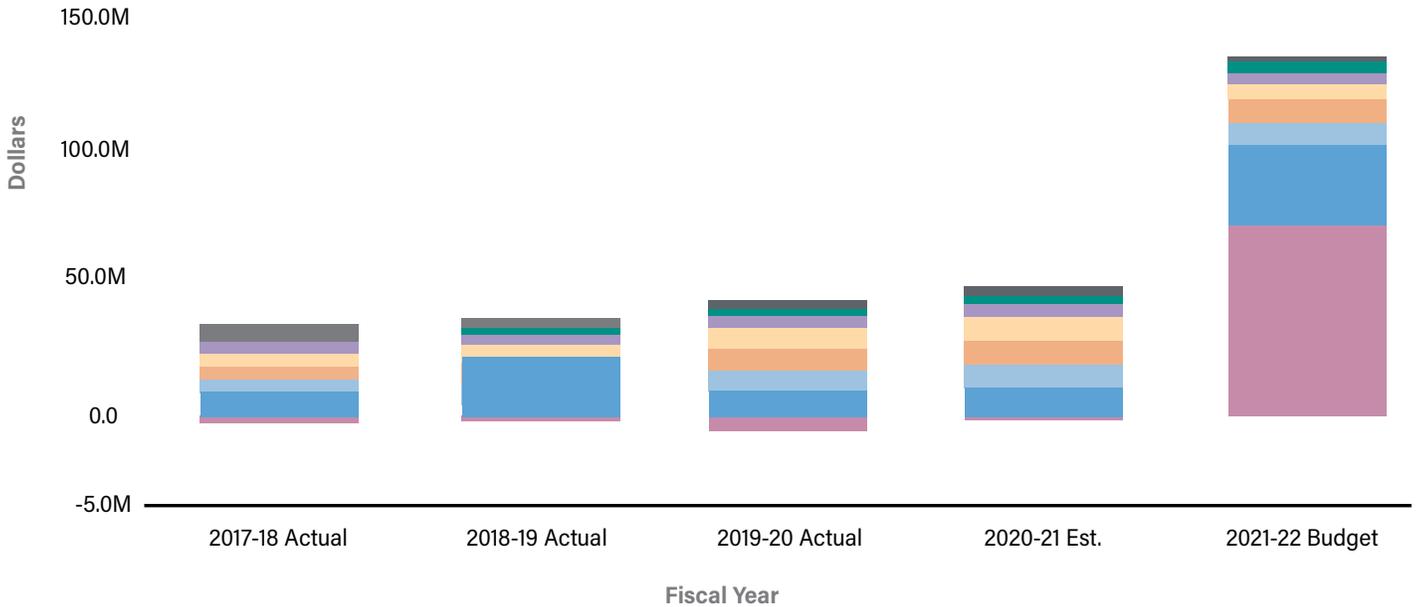


**Public Works Revenues (All Funds)** [EXHIBITPW.03]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Charges for Services	\$ 25,532,137	\$ 23,858,095	\$ 21,574,586	\$ 19,810,780	19,544,680
Other Financing Sources*	5,174,740	10,239,628	11,197,497	3,519,430	76,736,944
Taxes	3,086,316	3,655,573	3,782,112	3,775,522	3,321,289
Use of Money & Property	291,676	1,823,698	2,291,091	107,778	40,469
Inter Governmental Revenue	731,482	1,302,822	2,150,295	2,007,792	921,746
Licenses & Permits	345,607	408,866	361,373	-217,825	106,000
Franchise Fees	95,050	103,746	100,476	92,118	0
Other Revenue	45,000	0	0	0	0
<b>Total</b>	<b>\$ 35,302,007</b>	<b>\$ 41,392,427</b>	<b>\$ 41,457,430</b>	<b>\$ 29,041,605</b>	<b>\$ 100,671,128</b>

\*Includes project carryovers

**Public Works Expenditures (All Funds)** [EXHIBIT PW.04]



**Public Works Expenditures (All Funds)** [EXHIBIT PW.05]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Fixed Assets & Capital Outlay	\$ 8,047,182	\$ 4,166,988	\$ 8,824,152	\$ 8,907,618	\$ 17,361,527
Salaries and Wages	5,438,438	7,031,203	7,387,271	7,454,109	8,444,370
Utilities	7,344,225	7,505,959	7,638,272	7,962,910	8,140,105
Services	5,857,139	6,050,752	7,622,803	6,395,590	7,948,850
Fringe Benefits	3,021,646	3,824,732	3,471,810	3,407,004	3,776,537
Operating Expenses	2,540,859	2,953,825	3,180,915	3,081,933	3,510,096
Repairs & Maintenance	592,470	519,028	593,636	761,596	936,250
Transfers	333,740	2,429,715	3,962,592	512,500	591,100
Special Projects Expenditures	718,924	1,118,258	912,202	811,136	517,750
Travel	15,846	27,667	11,947	2,149	39,670
Rental of land and buildings	4,624	4,620	658	43,576	16,925
Project Control*	- 1,604,495	- 972,722	- 3,424,702	-935,789	73,012,344
<b>Total</b>	<b>\$ 33,390,862</b>	<b>\$ 34,660,025</b>	<b>\$ 40,181,556</b>	<b>\$ 38,404,331</b>	<b>\$ 124,295,524</b>

\* Includes project carryovers

# NON-DEPARTMENTAL



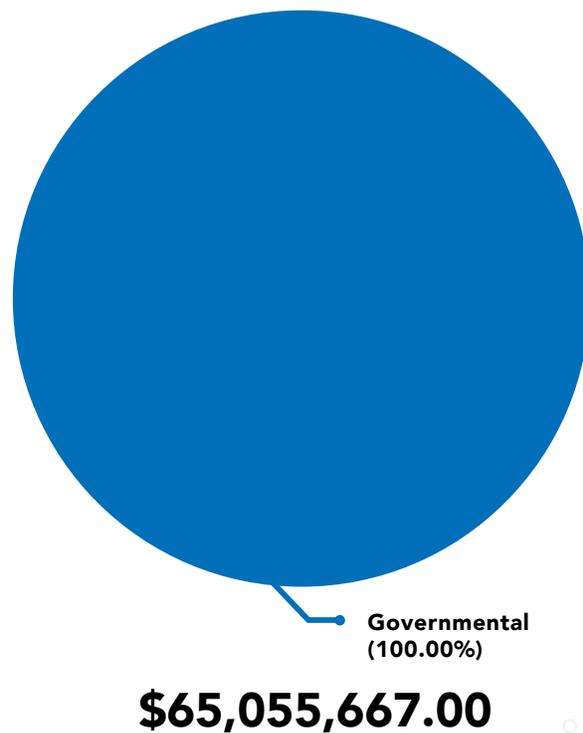
## Department Overview

In addition to expenditures that are directly related to departmental operations, there are also significant expenditures that are not directly attributable to the departments or have already been factored in the department expenditures as an internal service fund transfer. Two of the most notable of the expenditures not attributable to operating departments are the General Fund’s transfer to the General Capital Fund to operate the Capital Improvement Plan and the debt service on the recreation general obligation bonds. Before fiscal year 2014–15, these expenditures were shown in the finance operations, which inflated the department’s budget. It also made any sort of trend analysis difficult because transfers can fluctuate significantly year-over-year. Starting in fiscal year 2014–15, these expenditures were pulled out of the Administrative Service Department’s budget and reflected in a separate section referred to as non-departmental. In addition, for fiscal year 2021-22, a contingency budget has been incorporated into the non-departmental budget to plan for City Council priorities which require additional scoping. Following the City’s budgeting and accounting principles, these budgeted expenditures may be moved within a fund by the City Manager to better allocate toward anticipated needs. As with fiscal year 2020-21, the budget is likely to undergo substantial changes throughout the course of the fiscal year as the City recovers from the effects of the pandemic.

Since the 2017–18 fiscal year, Internal Service Funds have been used for workers’ compensation, general liability, and retiree medical payments. Internal services are billed to user departments through an allocation formula and each department’s expenditures includes charges equal to charges paid by these internal services. Also since fiscal year 2017–18, non-departmental fringe benefits include expenditures such as the vacancy factor (a credit to expenditures) and the management incentive program. Both of these fringe benefit items cannot be accurately assessed at the department level during budget preparation and are best budgeted at the non-

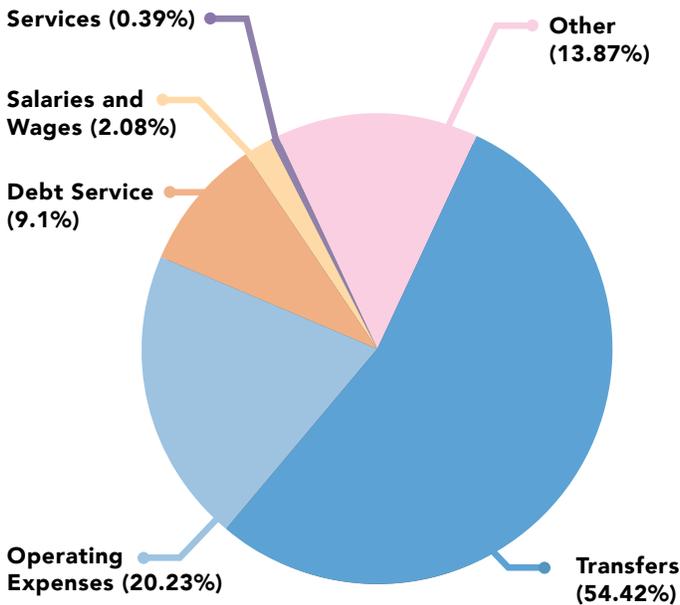
departmental level. Inclusion of the vacancy factor as a credit to fringe benefits has created confusion when comparing budget to actual expense on the department level. For fiscal year 2020-21 the vacancy factor was removed, but has been reintroduced for fiscal year 2021-22 with a rate equal to 7 percent of variable personnel expenditures. This rate is lower than pre-pandemic experience and includes the expectation that there will likely be greater movement following the pandemic’s recovery. Similarly, the management incentive program was previously budgeted in the Administrative Services Department and the amount was moved to non-departmental for fiscal year 2017–18. For fiscal year 2020-21, the management incentive program was suspended in order to limit expenditures, but is included in fiscal year 2021-22.

### 2021-22 Non-Departmental Revenue (All Funds) [EXHIBIT ND.01]



As reflected below, fiscal year 2021–22 expenditures in the non-departmental category are budgeted at \$7,144,767. Transfers to the General Capital Fund for Capital Improvement Plan use have the largest impact and are budgeted at \$3,050,5000 with an additional \$846,400 being transferred between other funds as well. \$1,041,281 has been budgeted for debt service related to the Recreation (Measure T) General Obligation Bonds. Removed from the non-departmental expenditure budget is the additional payments to CalPERS to reduce unfunded pension liability. Following City Council direction, an estimate for the cost of using a lower discount rate in pension obligations has been created and may be incorporated into either departmental or non-departmental budgets following consideration.

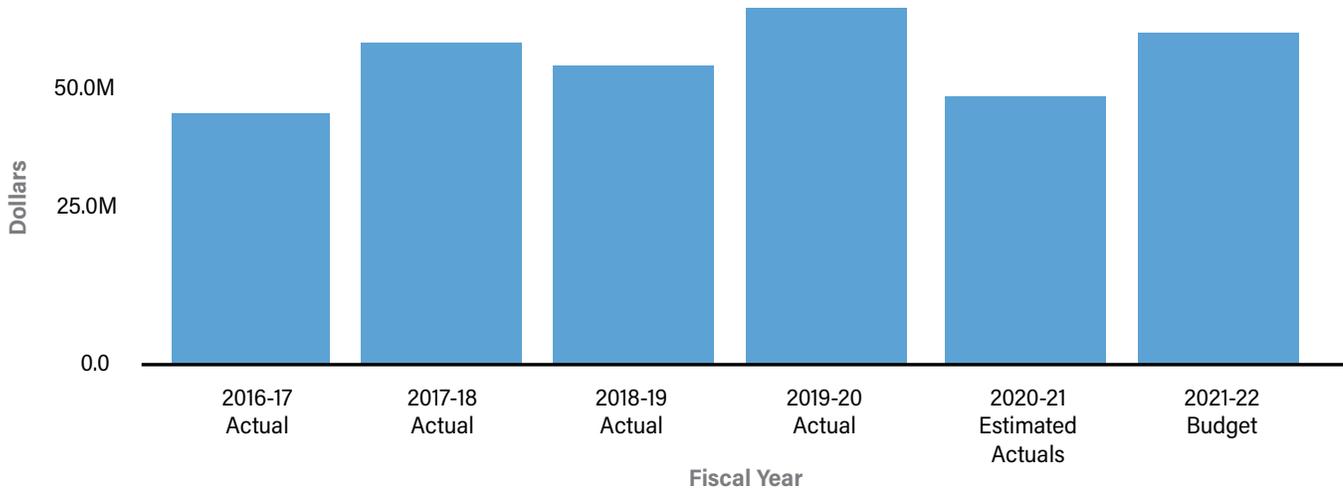
**2021-22 Non-Departmental Expenditures (All Funds)** [EXHIBIT ND.02]



**\$8,351,702.00**



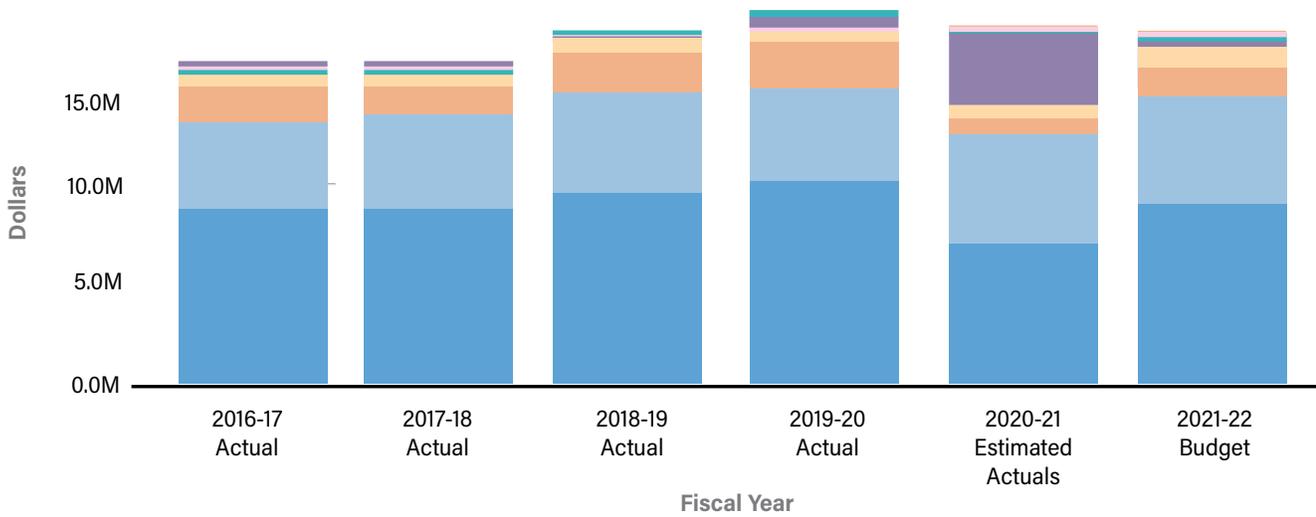
**Non-Departmental Revenue (All Funds)** [EXHIBIT ND.03]



**Non-Departmental Revenue (All Funds)** [EXHIBIT ND.04]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Taxes	\$ 48,986,324	\$ 46,910,701	\$ 44,977,659	\$ 41,817,658	\$ 47,283,185
Charges for Service	1,295,554	5,759,154	5,203,346	4,297,009	6,578,133
Inter Governmental Revenue	0	66,498	20,928	435,286	4,150,250
Other Financing Sources	444,795	439,375	10,728,700	499,000	2,818,883
Franchise Fees	2,121,386	2,181,173	2,203,963	2,137,124	2,337,020
Licenses & Permits	4,461,004	1,745,197	1,790,332	1,589,955	1,705,000
Use of Money & Property	3,752,278	1,678,856	2,669,574	677,836	1,393,379
Other Revenue	17,793	2,312	4,896	39,175	0
<b>Total</b>	<b>\$ 61,079,134</b>	<b>\$ 58,783,265</b>	<b>\$ 67,599,398</b>	<b>\$ 51,493,044</b>	<b>\$ 66,265,850</b>

**Non-Departmental Expenditures (All Funds)** [EXHIBIT ND.05]



**Non-Departmental Expenditures (All Funds)** [EXHIBIT ND.06]

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated Actuals	2021-22 Budget
Transfers	\$ 5,267,485	\$ 8,347,200	\$ 7,436,571	\$ 3,322,400	\$ 4,223,440
Debt Service	12,375,222	2,706,235	12,655,156	2,310,174	1,041,281
Operating Expenses	118,196	1,746,180	2,731,552	1,997,309	2,338,182
Special Projects Expenditures	956,382	956,382	956,382	959,455	0
Fringe Benefits	938,971	883,483	2,602,289	1,009,383	-138,771
Salaries and Wages	192,158	189,044	653,516	15,814	240,000
Services	378,595	128,816	86,177	49,304	45,000
Repairs & Maintenance	1,940	0	0	0	0
Rental of land and buildings	0	0	575	0	0
Fixed Assets & Capital Outlay	0	0	820	60,217	0
<b>Total</b>	<b>\$ 20,228,949</b>	<b>\$ 14,957,341</b>	<b>\$ 27,123,038</b>	<b>\$ 9,724,056</b>	<b>\$ 7,749,132</b>

# 5. CAPITAL IMPROVEMENT PLAN

- A. Introduction & Summaries (pp. 90 - 97)
- B. City buildings and systems (pp. 98 - 105)
- C. Environment (pp. 106 - 109)
- D. Parks and Recreation (pp. 110 - 115)
- E. Stormwater (pp. 116 - 121)
- F. Streets and Sidewalks (pp. 122 - 130)
- G. Traffic and Transportation (pp. 131 - 140)
- H. Water (pp. 141 - 147)



## Introduction

This five-year Capital Improvement Plan (CIP) is the community's vision for short- and long-range development, maintenance, improvement and building of new infrastructure assets to benefit our residents, businesses, property owners and visitors. It provides a linkage between the General Plan, various master planning documents and budget, and provides a means for planning, scheduling and implementing capital projects over the next five years. The CIP provides a long-term approach for prioritizing and selecting new projects in the City. Although the plan document is updated annually, it allows the reader to review projects planned over the five-year timeframe and provides an overview of works in progress. The CIP is intended to incorporate the City's investments in infrastructure development and maintenance (i.e., capital improvements) with other significant capital expenditures that add to or strategically invest in the City's inventory of assets. Studies and capital expenditures of less than \$75,000 are not typically included in the CIP.

## Procedures for Developing the Five-Year Capital Improvement Plan

Typically, procedures for developing the five-year CIP utilize the City's forecasting, project evaluation and community engagement processes. However, given significant reductions in last year's capital program, this year's five-year CIP focuses on continuing to reduce the backlog of ongoing capital projects, address critical deferred maintenance, and identify projects that support ongoing land development projects in the City, by applying the strategy described below.

### Identifying projects

In the past, department managers would initiate requests for new projects and modifications to or re-prioritize of existing projects. These requests,

along with supporting information, would be prepared as part of the annual budget process.

In the past five years, the City has invested in the development of long-term infrastructure planning efforts, including the Parks & Recreation Master Plan, Green Stormwater Infrastructure Plan, Zero Waste (Trash & Recycling) Plan, Information Technology Master Plan, Bedwell Bayfront Park Master Plan, Water System Master Plan, Stormwater Master Plan, Transportation Master Plan, and, most recently, an updated Climate Action Plan. These planning efforts have laid the groundwork to identify and prioritize key infrastructure needs in each topic area. The CIP, over time, then takes the recommendations from each plan and programs them for further planning, community engagement, design and construction. This has allowed for a more strategic approach to identifying capital needs, while still allowing the flexibility to respond to other projects or issues as they arise.

### Prioritization

Even with these master planning efforts substantially completed, projects must be further scoped and prioritized annually according to available funds and resources to successfully deliver the projects. Evaluation criteria applied to prioritize projects include:

- Public health and safety/risk exposure
- Protection of infrastructure
- Impacts on operating budgets and ongoing maintenance needs
- Capacity to deliver/impacts to other projects
- Economic development
- External requirements
- Population served
- Ability to reduce greenhouse gas emissions and support the City's 2030 climate action plan
- Community/commission support
- Relationship to adopted plans
- Cost/benefit
- Availability of financing

## Community for Input

Once the City Council's priorities are defined through their work plan, an opportunity for feedback is typically provided to the City's various commissions before the City Council's incorporation into the annual budget. However, in 2021, the work plan was adopted on April 27, which did not allow time for commission review of the draft capital plan and proposed projects.

## Approved Projects

This five-year CIP includes 35 projects receiving new funding in fiscal year 2021–22 and 57 carryover projects.

Eleven projects in this five-year CIP address ongoing infrastructure or facility maintenance needs and are included on an annual, bi-annual or periodic basis. Examples include street resurfacing and the sidewalk repair program.

New capital projects and projects involving infrastructure maintenance are identified. Projects approved in prior fiscal years that have not yet been completed are listed. Ongoing master plans, such as the Stormwater Master Plan, will also identify future projects expected to be needed in future year budget cycles.

## Carryover Appropriations

Projects which had prior City Council appropriations but were not fully expended have remaining appropriation balances included as carryover amounts.

These amounts are strictly an estimate and will be trued-up at year-end close. Amounts reflected in projected carryover column should not be construed as funds available for commitment. In many cases the carryover estimate includes funds that have been encumbered/committed as a result of an executed contract for services or goods.

## Project Funding Sources

The five-year CIP coordinates physical improvements with financial planning, allowing maximum benefits from available funding sources. It relies on funding from various sources, largely retained in the capital and special revenue funds, with uses that are usually restricted for specific purposes. Although an annual transfer from the General Fund to the City's General CIP Fund (approximately \$3.0 million) is part of the City's operating budget, this funding is intended solely for maintaining existing infrastructure in its current condition. Funding sources are each further described in the City's adopted budget.



## CIP Budget Project Prioritization

Beginning in 2019, staff categorizes the projects in relative priority based on the following factors:

- Regulatory compliance
- Public safety
- Preservation of city assets
- Improved efficiencies
- Grant funding timelines
- First in, first out
- Available staffing

Tier 1 indicates that a project will receive the highest relative priority for staff and consultant resources. Tiers 2 and 3, respectively, indicates that a project will receive significant resources only after the higher tier projects have received the necessary resources. Tier N/A indicates that a project is not currently competing for resources, typically funded in a future year. Staff is committed to completing the projects outlined in the CIP budget, regardless of tiers.

## General Plan Consistency

The five-year CIP coordinates physical improvements with financial planning, allowing maximum benefits from available funding sources. It relies on funding from various sources, largely retained in the capital and special revenue funds, with uses that are usually restricted for specific purposes. Although an annual transfer from the General Fund to the City's General CIP Fund (approximately \$3.0 million) is part of the City's operating budget, this funding is intended solely for maintaining existing infrastructure in its current condition. Funding sources are each further described in the City's adopted budget.

## Environmental Review

The development of the five-year plan is not a project, as defined in the California Environmental Quality Act (CEQA), and an environmental review is not required. Individual projects listed herein

may be subject to CEQA and environmental reviews will be conducted at the appropriate time during implementation of those projects.



# 2021-22 CAPITAL IMPROVEMENT BUDGET



# AND FIVE-YEAR CAPITAL IMPROVEMENT PLAN



**2021-22 City Buildings and Systems  
Adopted CIP Budget** [EXHIBIT CIPS.01]

Project Number	Project Name	2021-22 Adopted Budget*
CPB002	City Buildings (Minor)	\$ 1,731,963
STB001	Corporation Yard Needs Assessment	100,000
STB002	Facilities Inventory and Maintenance Plan	250,000
CPB003	Fire Plan Equ Replace-Building	87,851
CPB004	Gatehouse Fence Replacement	62,245
CPC001	IT Master Plan & Implement	3,675,581
CPB001	Menlo Park Community Campus	15,614,847
CPB005	PD Building Conversion	545,000

**City Building and Systems Total** **\$ 15,910,234**

\*Includes estimated carryover appropriations

**2021-22 Parks and Recreation  
Adopted CIP Budget** [EXHIBIT CIPS.03]

Project Number	Project Name	2021-22 Adopted Budget*
CPP001	Aquatic Center Maint (Annual)	\$ 1,409,150
CPP003	Bedwell Bayfront Park Entrance Improvements	1,464,639
CPP002	Bedwell Bayfront Pk Leachate	3,971,569
CPP005	Park Improvements (Minor)	409,120
CPP006	Park Pathways Repairs	1,405,582
CPP007	Park Playground Equipment	725,414
CPP009	Sport Field Renovations	900,000
CPP010	Tennis Court Maintenance	293,341
CPP011	Willow Oaks Park Improvements	898,920

**Parks and Recreation Total** **\$ 11,477,735**

\*Includes estimated carryover appropriations

**2021-22 Stormwater  
Adopted CIP Budget** [EXHIBIT CIPS.02]

Project Number	Project Name	2021-22 Adopted Budget*
CPR001	Bayfront Atherton Flood Protec	\$ 1,398,745
CPR002	Chrysler Pump Station Improv	10,673,624
CPR008	Safer Bay	250,000
CPR003	San Francisquito Cr-101 Flood	500,000
STR001	Stormwater Master Plan	265,249

**Stormwater Total** **\$ 13,087,618**

\*Includes estimated carryover appropriations

**2021-22 Environment  
Adopted CIP Budget** [EXHIBIT CIPS.04]

Project Number	Project Name	2021-22 Adopted Budget*
CPE002	Climate Action Plan	\$ 413,489
CPE002	Electric Vehicle Chargers	491,371
STE001	Sea Level Rise Resiliency Plan	150,000

**Environment Total** **\$ 1,054,860**

\*Includes estimated carryover appropriations

# FIVE-YEAR CAPITAL IMPROVEMENT PLAN SUMMARIES

## 2021-22 Streets and Sidewalks Adopted CIP Budget [EXHIBIT CIPS.05]

Project Number	Project Name	2021-22 Adopted Budget*
CPP001	Chilco Streetscape & Sidewalk Installation	\$ 926,695
CPS004	Downtown Streetscape Improve	557,857
CPS026	El Camino Real Median Trees Improvements	135,000
CPS016	Middlefield Rd (Woodland to Ravenswood)	150,000
CPS006	Parking Plaza 7 Renovations	2,200,000
CPS007	Parking Plaza 7 Renovations	200,000
CPS008	Pierce Rd SW & SM Bic Rte Inst	630,627
CPS009	Ravenswood(Alma-Macusse) Resurf	1,204,392
CPS025	Sand Hill Tunnel Rehabilitation	490,000
CPS010	Sharon Road Sidewalk Install	803,728
CPS011	Sidewalk Repair Program	550,000
CPS012	St. Cruz & Middle Ave Resurf	367,295
CPS014	Street Resurfacing Project	5,162,140
CPS013	Streetlight Conversion	722,500
CPS003	Utility Undergrounding	660,000
CPS015	Willow Road Resurfacing	1,150,000
<b>Streets &amp; Sidewalks Total</b>		<b>\$ 15,910,234</b>

## 2021-22 Transportation/Traffic Adopted CIP Budget [EXHIBIT CIPS.06]

Project Number	Project Name	2021-22 Adopted Budget*
CPT030	Belle Haven Traffic Calming Plan Implementation	\$ 50,000
CPT013	Undistributed CIP Projects	1,449,822
CPT003	ECR Crossings Improvements	307,087
CPT004	Haven Ave Streetscape Improv	1,267,774
CPT005	Middle Ave Caltrain Cross Stud	5,954,095
CPT007	Traffic Signals Modifications	1,319,013
CPT008	Transit Improvements	37,278
CPT009	Transportation Projects(Minor)	865,623
CPT011	Willow Oaks Bike Connector	500,000
CPT001	Bayfront, Willow, Marsh Adaptive Traffic Signal	119,459
CPT006	Middlefield/Linfield-Santa Monica Crosswalk	80,000
CPT029	Caltrain Quiet Zone Evaluation	75,000
CPT010	Willow - 101 Interchange	188,258
CPT031	Middle Avenue Complete Streets Study	200,000
STT004	TMA Impl - Feasibility Study	50,000
STT003	Willow Rd Transportation Study	159,692
STT001	Caltrain Grade Separation	304,637
<b>Transportation/Traffic Total</b>		<b>\$ 12,927,738</b>

**2021-22 Water  
Adopted CIP Budget** [EXHIBIT CIPS.07]

Project Number	Project Name	2021-22 Adopted Budget*
STW001	Post-earthquake operation plan	\$ 58,500
STW002	Urban Water Management Plan	59,689
CPW001	Automated Water Meter Reading	2,101,867
CPW003	Emergency Water Storage/Supply	3,532,801
CPW004	Fire Flow Capacity Improvement	1,692,727
CPW002	Calwater Alma Interconnection	140,000
CPW008	Reservoirs #1 & #2 Mixers	98,908
CPW009	Reservoir #2 Roof Replacement	4,575,720
CPW010	Water Main Replacement Project	4,081,197

**Water Total** **\$ 16,341,409**

\*Includes estimated carryover appropriations

**Adopted CIP Budget  
Grand Total** [EXHIBIT CIPS.11]

	2021-22 Adopted Budget*
<b>City Buildings &amp; Systems</b>	<b>\$ 22,067,487</b>
<b>Environment</b>	<b>\$ 1,054,860</b>
<b>Parks and Recreation</b>	<b>\$ 11,477,735</b>
<b>Streets and Sidewalks</b>	<b>\$ 15,910,234</b>
<b>Stormwater</b>	<b>\$ 13,087,618</b>
<b>Transportation/Traffic</b>	<b>\$ 12,927,738</b>
<b>Water</b>	<b>\$ 16,341,409</b>
<b>Grand Total</b>	<b>\$ 92,867,081</b>

# FIVE-YEAR CAPITAL IMPROVEMENT PLAN SUMMARIES

## 2021-22 Capital Projects and 5-year Plan by Category [EXHIBIT CIPS.11]

### 5-year Plan (funds not appropriated)

	2021-22 Budget	2022-23	2023-24	2024-25	2025-26	2026-27	Total
City Buildings	\$ 18,041,906	\$ 36,083,812	\$ 18,541,906	\$ 18,541,906	\$ 18,541,906	\$ 18,541,906	\$ 128,418,342
City Systems	3,675,581	7,077,786	6,038,893	6,038,893	6,038,893	3,538,893	32,408,939
Environment	904,860	1,809,720	1,004,860	1,004,860	1,004,860	1,104,860	6,834,020
Parks and Recreation	11,477,735	22,955,470	22,697,735	13,297,735	13,297,735	12,997,735	96,724,145
Stormwater	12,822,369	25,644,738	14,572,369	15,322,369	12,822,369	12,822,369	94,006,583
Streets and Sidewalks	15,910,234	31,820,801	31,235,234	20,385,234	18,265,234	18,510,234	136,126,971
Transportation/Traffic	12,413,409	21,927,174	25,068,587	11,488,587	11,488,587	11,488,587	93,874,931
Water	16,223,220	32,446,440	23,952,520	22,142,720	22,422,320	16,223,220	133,410,440
<b>Projects Total</b>	<b>\$ 91,469,314</b>	<b>\$ 179,765,941</b>	<b>\$ 143,237,104</b>	<b>\$ 108,222,304</b>	<b>\$ 103,881,904</b>	<b>\$ 95,227,804</b>	<b>\$ 721,804,371</b>

## 2021-22 Capital Studies and 5-year Plan by Category [EXHIBIT CIPS.10]

### 5-year Plan (funds not appropriated)

	2021-22 Budget	2022-23	2023-24	2024-25	2025-26	2026-27	Total
City Buildings	\$ 350,000	\$ 700,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 2,450,000
Environment	150,000	300,000	150,000	150,000	150,000	150,000	1,050,000
Stormwater	265,249	530,498	265,249	265,249	265,249	265,249	1,856,743
Transportation/Traffic	514,329	928,658	5,464,329	464,329	464,329	464,329	8,300,303
Water	118,189	236,378	118,189	118,189	118,189	118,189	827,323
<b>Studies Total</b>	<b>\$ 1,397,767</b>	<b>\$ 2,695,534</b>	<b>\$ 6,347,767</b>	<b>\$ 1,347,767</b>	<b>\$ 1,347,767</b>	<b>\$ 1,347,767</b>	<b>\$ 14,484,369</b>



# CITY BUILDINGS AND SYSTEMS



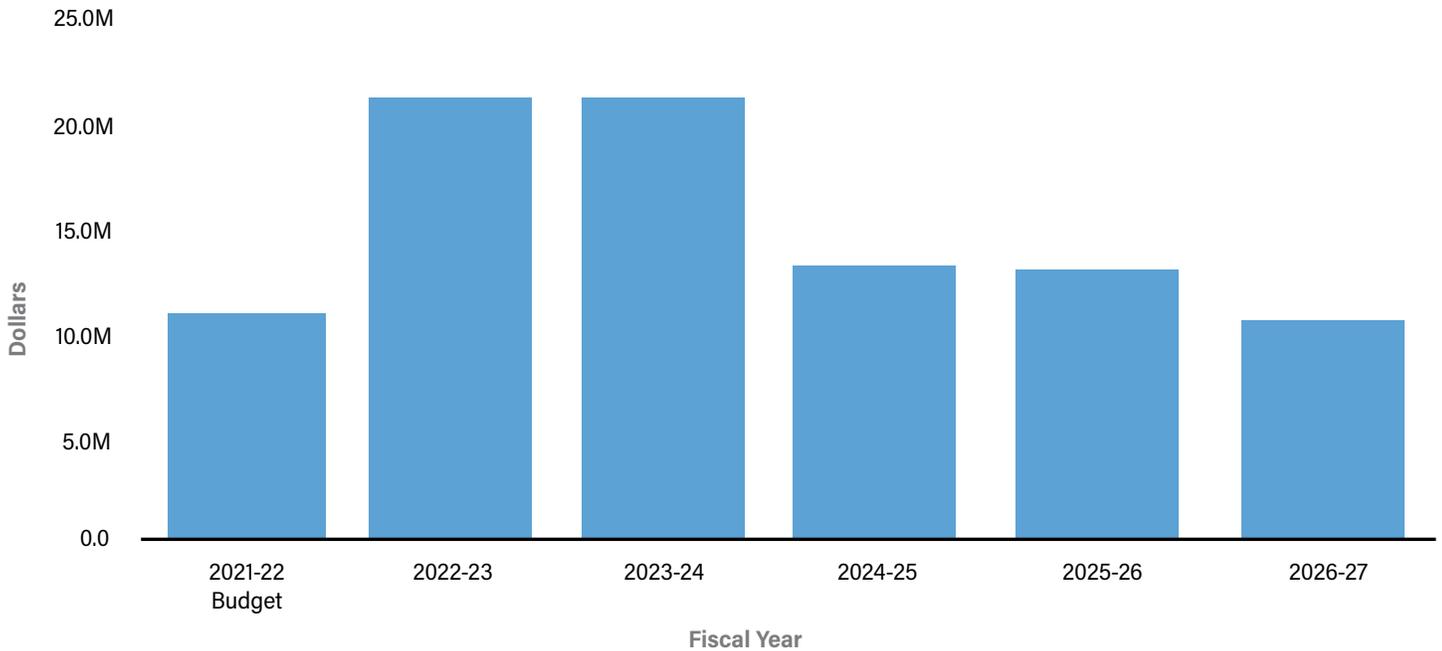
Adapting buildings and planning for the future



## City Buildings & Systems

Menlo Park is a city of beautiful, tree-lined neighborhoods and active commercial districts. Located conveniently between the major metropolitan areas of San Francisco and San Jose, Menlo Park is home to a little over 32,000 residents in its 19 square miles. The stunning natural surroundings of the city afford views of the San Francisco Bay to the east and the Pacific Coastal Range to the west. Menlo Park's climate is moderate to warm, with an average of 265 sunny days a year.

**City Buildings & Systems CIP** [EXHIBIT CBS.01]



**City Buildings & Systems CIP** [EXHIBIT CBS.02]

5-year Plan (funds not appropriated)

	2021-22 Budget	2022-23	2023-24	2024-25	2025-26	2026-27
Park Playground Equipment	\$ 725,414	\$ 1,450,828	\$ 1,325,414	\$ 725,414	\$ 725,414	\$ 725,414
Willow Oaks Park Improvements	898,920	1,797,840	898,920	898,920	898,920	898,920
Bedwell Bayfront Pk Leachate	3,971,569	7,943,138	5,471,569	3,971,569	3,971,569	3,971,569
Aquatic Center Maint (Annual)	1,409,150	2,818,300	1,809,150	1,809,150	1,809,150	1,809,150
Bedwell Bayfront Park Entrance Improvements	1,464,639	2,929,278	1,464,639	1,464,639	1,464,639	1,464,639
Civic Center Campus Improv	-	-	300,000	300,000	300,000	-
Park Improvements (Minor)	409,120	818,240	409,120	609,120	609,120	609,120
Park Pathways Repairs	1,405,582	2,811,164	1,905,582	1,905,582	1,905,582	1,905,582
Sport Field Renovations	900,000	1,800,000	1,200,000	1,200,000	1,200,000	1,200,000
Park Pathways Repairs	293,341	586,682	413,341	413,341	413,341	413,341
Parks & Recreation Master Plan Implementation	-	-	7,500,000	-	-	-
<b>Total</b>	<b>\$ 11,477,735</b>	<b>\$ 22,955,470</b>	<b>\$ 22,697,735</b>	<b>\$ 13,297,735</b>	<b>\$ 13,297,735</b>	<b>\$ 12,997,735</b>



## Burgess Pool Lobby Renovation

This project is designed to address multiple concerns with the lobby of the Burgess Pool building, such as the inadequate space of the transaction area and the high noise levels. The project would involve the relocation of the entrance to the lobby, redesign of the counter space, additional seating and the installation of acoustical treatments.



## City Buildings (Minor)

This project includes updated technology for various critical and enhanced services including the financial system, web services, graphical information services and other systems within the City. The first phase includes an assessment of the existing technology tools in use within the organization, evaluates the need for replacement, and develops recommendations on the best replacements in priority order. Working with a consultant and a representative City committee to enable a knowledgeable evaluation and avoid disruption caused by failures to the aging systems, the second phase includes implementation of the approved master plan. Additional funding is programmed annually for implementation of the master plan.



## Corporation Yard Needs Assessment

The project will evaluate the functions and services provided at the Corporation Yard, which was built in the 1970s, and recommend the implementation of best management practices to improve office workflow, use of space, parking, material storage and the fuel facility.



## City Buildings HVAC Modifications

This project modifies the heating, ventilation and air conditioning (HVAC) systems in the Arrillaga Family Recreation Center and the Police Department to address system deficiencies. At the Recreation Center, the project will evaluate and implement options for addressing temperature fluctuations and equipment failure. At the Police Department, the project focuses on improving the design of the HVAC system that serves the dispatch area.



## Emergency Operations Center

An Emergency Operations Center is a physical space that can be used to support City operations in the event of an emergency or natural disaster, possibly for an extended period of time through the recovery phase. The City's existing Emergency Operations Center (EOC) is located in a conference room in the police department in the basement of City Hall. This project would evaluate the space and operational needs of a new purpose-built EOC. The project will evaluate potential site locations, design, and construction of the facility. It is anticipated that grant opportunities would support the general fund in meeting the financial needs of the project.



## Facilities Inventory and Maintenance Plan

This project includes updated technology for various critical and enhanced services including the financial system, web services, graphical information services and other systems within the City. The first phase includes an assessment of the existing technology tools in use within the organization, evaluates the need for replacement, and develops recommendations on the best replacements in priority order. Working with a consultant and a representative City committee to enable a knowledgeable evaluation and avoid disruption caused by failures to the aging systems, the second phase includes implementation of the approved master plan. Additional funding is programmed annually for implementation of the master plan.



## Gatehouse Fence Replacement

The project consists of the replacement of portions of the existing Gatehouse fence along Ravenswood Avenue that have deteriorated or been damaged. The replacement fencing will be designed to match the intricate details of the existing unit.





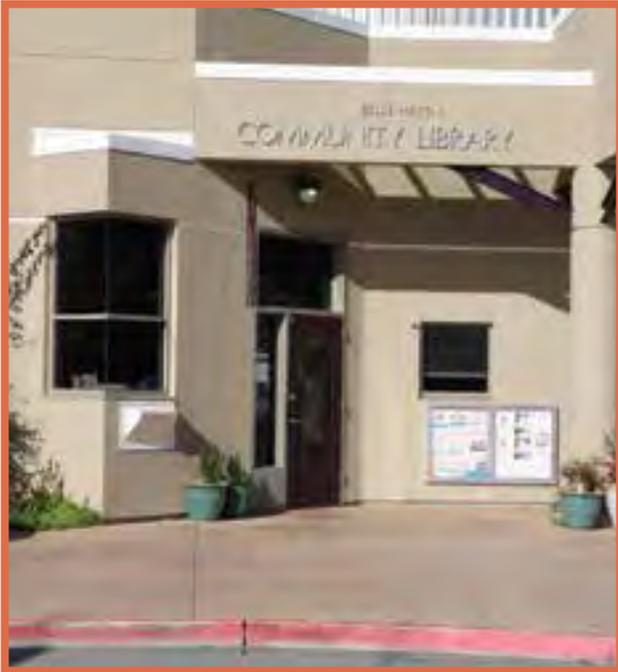
## Fire Plans and Equipment Replacement For City Buildings

The project consists of the replacement of fire panels, alarms, strobe lights and associated equipment in the Council Chambers, Library and Onetta Harris Community Center. The existing systems are outdated and starting to trigger false alarms.



## Information Technology Master Plan and Implementation

This project includes updated technology for various critical and enhanced services including the financial system, web services, graphical information services and other systems within the City. The first phase includes an assessment of the existing technology tools in use within the organization, evaluates the need for replacement, and develops recommendations on the best replacements in priority order. Working with a consultant and a representative City committee to enable a knowledgeable evaluation and avoid disruption caused by failures to the aging systems, the second phase includes implementation of the approved master plan. Additional funding is programmed annually for implementation of the master plan.



## Menlo Park Community Campus

In December 2019, the City Council received a proposal from Facebook Inc. proposing to explore funding and development of a new multi-generational community center and library located in Menlo Park's Belle Haven neighborhood, replacing the existing community center, senior center, youth center, pool house, and library facilities. Identified as a City Council priority on January 28, 2020, this project would deliver the City's funding contribution to the project.



## Main Library Improvements

This project proposes to create a new meeting room space and teen space on the ground floor by enclosing each area with interior glass walls and doors and repurposing an exterior door as a public entry point. The project will also renovate the northwest patio for use as a public event space.

# ENVIRONMENT



Supporting goal of net zero carbon by 2030

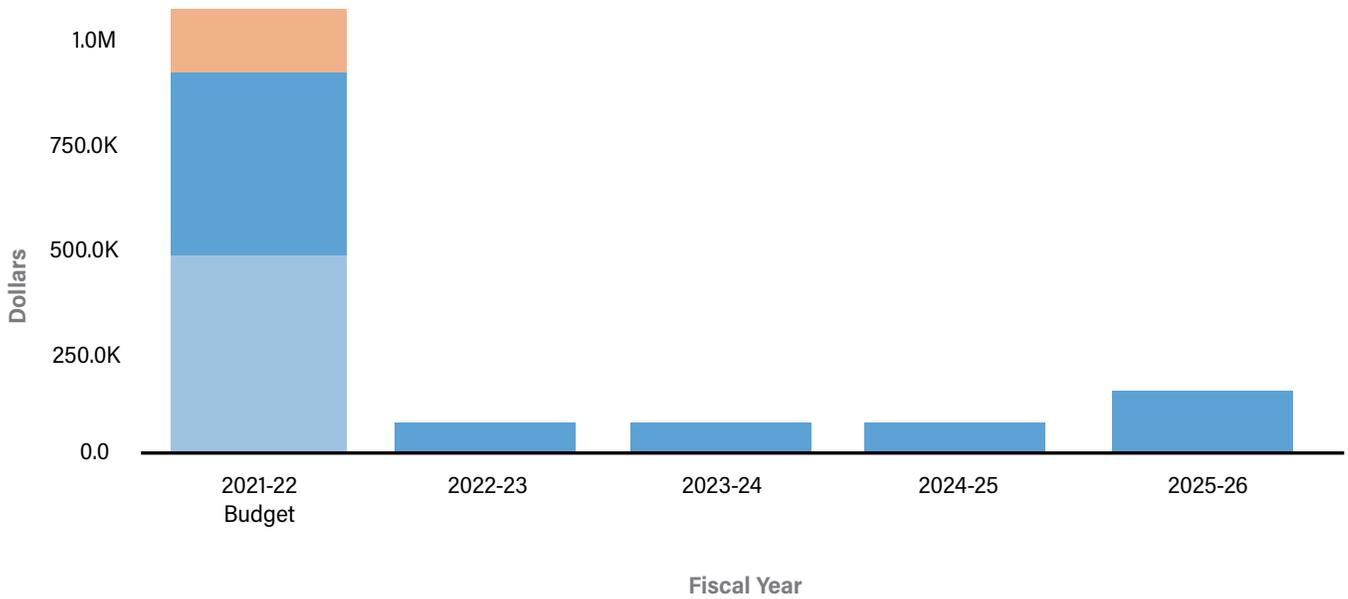




## Environment

The Environment CIP provides for a variety of projects and programs to further the City's environmental sustainability initiatives, including those in the City Council adopted Climate Action and Zero Waste Plans. This category of the CIP is primarily supported by the General Fund. However, initiatives pertaining to solid waste are funded through refuse rates.

**Environment CIP** [EXHIBIT ENV.01]



**Environment CIP** [EXHIBIT ENV.02]

	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
Climate Action Plan	\$ 413,489	\$ 100,000	\$ 100,000	\$ 100,000	\$ 200,000
Electric Vehicle Chargers	491,371	0	0	0	0
Sea Level Rise Resiliency Plan	150,000	0	0	0	0
<b>Total</b>	<b>\$ 1,054,860</b>	<b>\$ 2,000,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 200,000</b>





## Climate Action Plan

The City Council adopted a 2030 Climate Action Plan in 2020. It includes a goal to reach community-wide carbon neutrality by 2030. The purpose of this project is to provide an annual funding source to continue implementation of the CAP programs and strategies. This year, funding will be utilized to start work on exploring policy options to (1) convert 95% of existing buildings to electric by 2030 and (2) expand electric vehicle charging stations at existing multi-family properties.



## Electric Vehicle Chargers at City Facilities

This project installs the necessary infrastructure to support six dual cord, Level 2 electric vehicle chargers in the Council Parking Lot and one electric vehicle charger at the Corporation Yard to support alternative fuel vehicles for the City fleet.



## Sea Level Rise Resiliency Plan

The Sea Level Rise Resiliency project would fund approximately 3 years of membership dues in OneShoreline, the countywide flood protection and sea level rise resiliency agency, formed as a collaborative effort of San Mateo County and 20 cities in the County. The San Mateo County Sea Level Rise Vulnerability Assessment, completed in March 2018, formed the basis for this agency after finding that sea level rise in 2100 could impact \$34 billion in property on the San Francisco Bay shoreline and coastsides, north of Half Moon Bay in San Mateo County.

# PARKS AND RECREATION



Maintaining parks, pools, and playgrounds

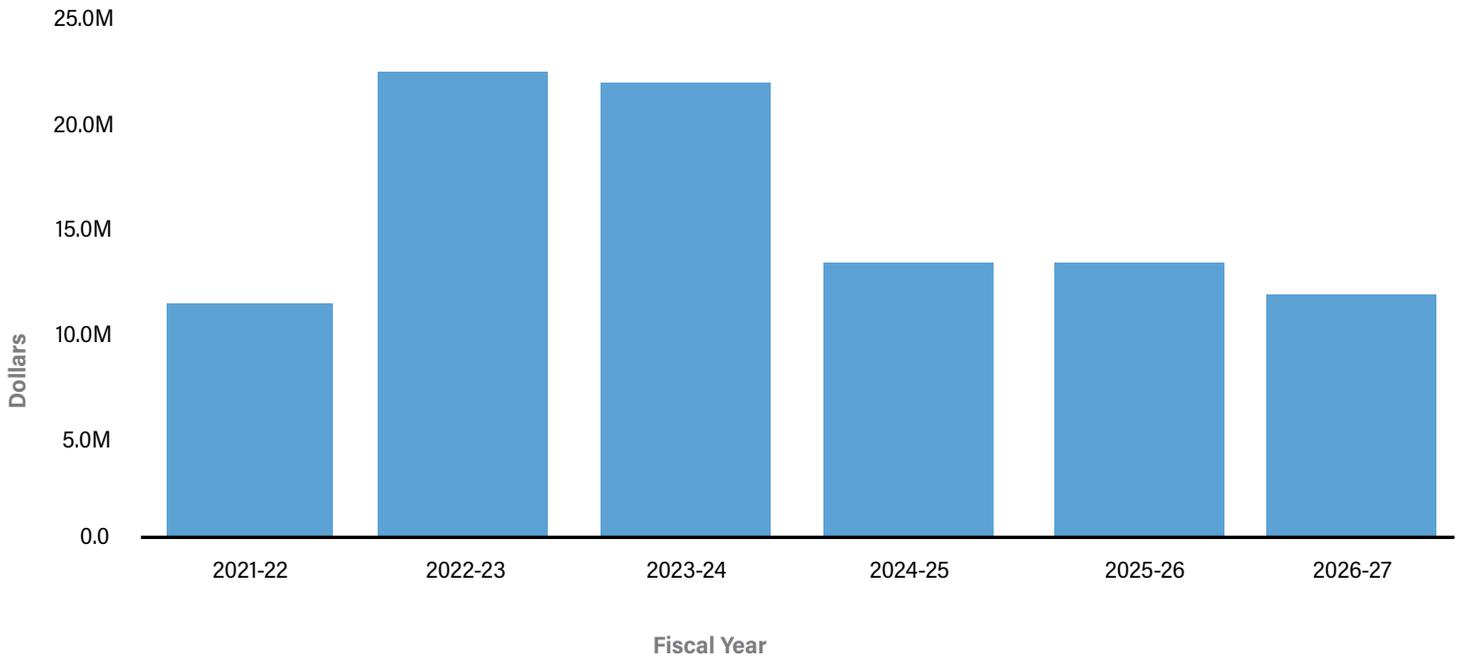




## Parks and Recreation

The Parks & Recreation CIP provides for a variety of projects and programs to meet the recreational needs of the community, and have been scaled in light of the COVID-19 pandemic to maintain infrastructure and assess critical safety or regulatory concerns. In October 2019, the City Council adopted a comprehensive Parks & Recreation Master Plan. Based on public input, the Plan recommended improvements and initiatives to the City's parks and recreation facilities to continue to meet the needs of the community and program users. This category of the CIP is primarily supported by the General Fund. However, voter approved Measure T General Obligation authority permits the City to issue a third tranche of debt that could help finance the Parks & Recreation Master Plan initiatives. Potential projects to be funded with Measure T bond funds are under consideration in parallel with adoption of this year's CIP. In addition, certain capital projects may qualify to use Recreation In-Lieu impact fees imposed on new development. Finally, due to the relationship of the Bedwell Bayfront Park and the former landfill, certain projects may have access to funds collected through refuse rates to maintain the landfill.

**Parks and Recreation CIP** [EXHIBIT PAR.01]



**Parks and Recreation CIP** [EXHIBIT PAR.02]

5-year Plan (funds not appropriated)

	2021-22 Budget	2022-23	2023-24	2024-25	2025-26	2026-27
Park Playground Equipment	\$ 725,414	\$ 1,450,828	\$ 1,325,414	\$ 725,414	\$ 725,414	\$ 725,414
Willow Oaks Park Improvements	898,920	1,797,840	898,920	898,920	898,920	898,920
Bedwell Bayfront Pk Leachate	3,971,569	7,943,138	5,471,569	3,971,569	3,971,569	3,971,569
Aquatic Center Maint (Annual)	1,409,150	2,818,300	1,809,150	1,809,150	1,809,150	1,809,150
Bedwell Bayfront Park Entrance Improvements	1,464,639	2,929,278	1,464,639	1,464,639	1,464,639	1,464,639
Civic Center Campus Improv	-	-	300,000	300,000	300,000	-
Park Improvements (Minor)	409,120	818,240	409,120	609,120	609,120	609,120
Park Pathways Repairs	1,405,582	2,811,164	1,905,582	1,905,582	1,905,582	1,905,582
Sport Field Renovations	900,000	1,800,000	1,200,000	1,200,000	1,200,000	1,200,000
Tennis Court Maintenance	293,341	586,682	413,341	413,341	413,341	413,341
Parks & Recreation Master Plan Implementation	-	-	7,500,000	-	-	-
<b>Total</b>	<b>\$ 11,477,735</b>	<b>\$ 22,955,470</b>	<b>\$ 22,697,735</b>	<b>\$ 13,297,735</b>	<b>\$ 13,297,735</b>	<b>\$ 12,997,735</b>



## Bedwell Bayfront Park Collection and Leachate Systems Repair

This project improves existing gas collection and leachate systems serving the former landfill at Bedwell Bayfront Park and includes several phases. Replacing gas extraction wells and installing a new leachate pumping system to comply with best management practices are included to increase methane capture and reduce greenhouse gas emissions.



## Bedwell Bayfront Park Entrance Improvements

This project will reconfigure the park entrance to increase public awareness and visibility of the park, create an attractive entry experience, and improve access to the available recreational resources to accommodate a growing population and user demand.



## Civic Center Campus Improvements

This project involves the design and construction of improvements to the Civic Center Campus such as additional outdoor seating, parking lot modifications, Ravenswood bike lane extension and sidewalk modification, gatehouse landscaping, minor landscaping and irrigation in the Library parking lot.



## Parks Improvements (Minor)

This ongoing project consists of the implementation of minor improvements under \$100,000 intended to extend the useful life of systems, infrastructure and equipment in the City's parks. This program does not provide for the replacement or significant renovation of the City's park facilities.



## Park Pathways Repairs

The project replaces damaged pathways at Sharon, Nealon, and Stanford Hills Parks for safety and accessibility requirements. Future year repairs will be prioritized following completion of these first three high-priority repairs.



## Park Playground Equipment

This project addresses playground improvements prioritized in a 2015 comprehensive Playground Safety Inspection Report, beginning with Nealon Park (completed in 2019-20), Burgess Park and Willow Oaks Park. In addition to meeting updated California Safety Standards, the new playgrounds may incorporate theme-based educational and interactive components as the budget allows. In 2020-21, the funds would allow for the design of Burgess Park and Willow Oaks Park playgrounds. Work would be coordinated with other planned improvements to Willow Oaks Park.



## Sport Field Renovations

The project includes turf replacement, drain cleaning and field leveling of the sport fields managed by the City. The fields at Burgess Park, La Entrada School and Jack Lyle Park will be renovated first to ensure continued life expectancy. This project also allows for the accumulation of funds in order to replace fields more often under the City's herbicide free parks program.



## Tennis Court Maintenance

This program is ongoing and focuses on the implementation of adequate maintenance practices to extend the useful life of the City's fifteen tennis courts. The program follows a maintenance schedule that includes the full reconstruction of every court every twelve years. Interim maintenance work includes crack repair and court resurfacing.



## Willow Oaks Park Improvements

This project involves the design and construction of a restroom facility at Willow Oaks Park and improvements to the Dog Park to address community needs associated with park users. Construction would be coordinated with other improvements planned at Willow Oaks Park, including playground modification to meet safety requirements and the addition of a bicycle pathway connection to Elm Street.

# STORMWATER



Prevent flooding and manage stormwater runoff

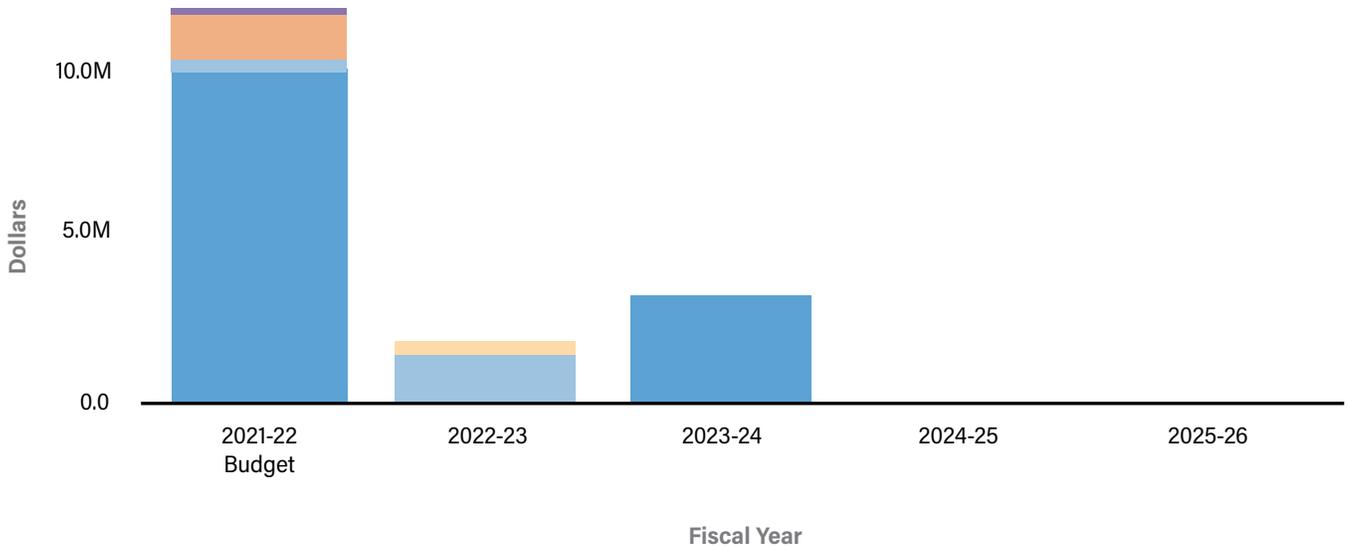




## Stormwater

The Stormwater CIP consists of projects and programs required to address the impacts of flooding in the watershed and stormwater water quality. These projects involve improvements that address localized drainage issues and larger inter-agency efforts to address flooding concerns associated with San Francisquito Creek, the Bayfront Canal and the Atherton Channel. In addition, projects in this category may be required to meet National Pollution Elimination Discharge System (NPDES), an unfunded mandate to minimize debris and pollutants discharged to San Francisco Bay. This category of the CIP is solely supported by the General Fund and future demand for funds is expected to grow. Other possible funding strategies for these projects include grants, as well as the development of benefit assessment districts that can pay for improvements in specific sections of the City where more investment needs have been identified. A new project has been added to this category this year to continue implementation of SAFER Bay, a comprehensive plan to protect Menlo Park and adjacent cities from sea level rise due to climate change.

**Stormwater CIP** [EXHIBIT STO.01]



**Stormwater CIP** [EXHIBIT STO.02]

	5-year Plan (funds not appropriated)				
	2021-22	2022-23	2023-24	2024-25	2025-26
Chrysler Pump Station Improv	\$ 10,673,624	\$ 0	\$ 0	\$ 0	\$ 0
San Francisquito Cr-101 Flood	500,000	1,500,000	2,500,000	0	0
Bayfront Atherton Flood Protec	1,398,745	0	0	0	0
Willow Bridge Abut Stable Prjt	0	500,000	0	0	0
Safer Bay	250,000	0	0	0	0
<b>Total</b>	<b>\$ 12,822,369</b>	<b>\$ 2,000,000</b>	<b>\$ 2,500,000</b>	<b>\$ 0</b>	<b>\$ 0</b>





## Bayfront Canal and Atherton Channel Flood Protection

The project involves the design of an underground structure to route stormflows from the Bayfront Canal and Atherton Channel to the Ravenswood Complex Ponds S5 & R5, which are part of the South Bay Salt Pond Restoration Project. The ponds would be used for stormwater detention and would mitigate flooding in the cities of Menlo Park and Redwood City and San Mateo County. The project is being developed through a collaborative effort between the City, Redwood City, San Mateo County and the Town of Atherton.



## Chrysler Pump Station Improvements

This project involves the design and construction of a new Chrysler Stormwater Pump Station. The existing facility was originally built in 1958 has reached the end of its useful life. The improved facility will provide flood protection to sections of the Bayfront area, which include the Menlo Gateway buildings and a part of the Facebook West Campus site. The City has been awarded a grant from the Federal Emergency Management Agency (FEMA) which would reimburse the City for \$5M towards the general capital fund.



## Willow Place Bridge Abutment Repairs

This project repairs damage to the bridge abutment from the December 2012 storm event. Preliminary study of repairs was completed with design and construction as next steps.



## SAFER Bay Implementation

This project would provide funds to support the staff time needed to continue to implement SAFER Bay. In September 2020, PG&E approached the City about partnering on a FEMA grant opportunity to address sea level rise impacting the Ravenswood Electrical Substation consistent with the SAFER Bay project and the recently completed Dumbarton Bridge West Approach + Adjacent Communities Resilience Study. Following initial coordination, the City, SFCJPA and PG&E also reached out Facebook to consider providing additional funding to expand the project. The FEMA grant is a program offering up to \$50 million per project to reduce risks from disasters and natural hazards. The City Council authorized a letter of support for the application on November 17, 2020. PG&E, the SFCJPA, Facebook and the City collaborated on the required documentation for a Building Resilient Infrastructure and Communities (BRIC) application, which was submitted to CalOES by December 3, 2020. Cal OES submitted the grant application for FEMA consideration on January 27. FEMA notifications on awarded projects are expected in summer 2021.



## San Francisquito Creek Upstream of 101 Flood Protection

The second of two projects, the effort being led by the San Francisquito Creek Joint Powers Authority focuses on improvements to creek sections located upstream of U.S. Highway 101 to protect communities in the City and the cities of Palo Alto and East Palo Alto from an event similar to the flood of 1998. The project proposes to widen the creek in a number of sections and the replacement of the Pope Chaucer Bridge.



## Stormwater Master Plan

The Stormwater Master Plan evaluates the condition of the City's Stormwater system and identifies the capital improvements necessary to address surface water collection, operations, maintenance, treatment and storage requirements. The plan includes a hydraulic evaluation of the City's storm drain network, infrastructure assessment, identifies water quality requirements, recommends planning level costs for the improvements and integrates the City's Green Infrastructure policies. The planning period for the master plan will be 25 years.

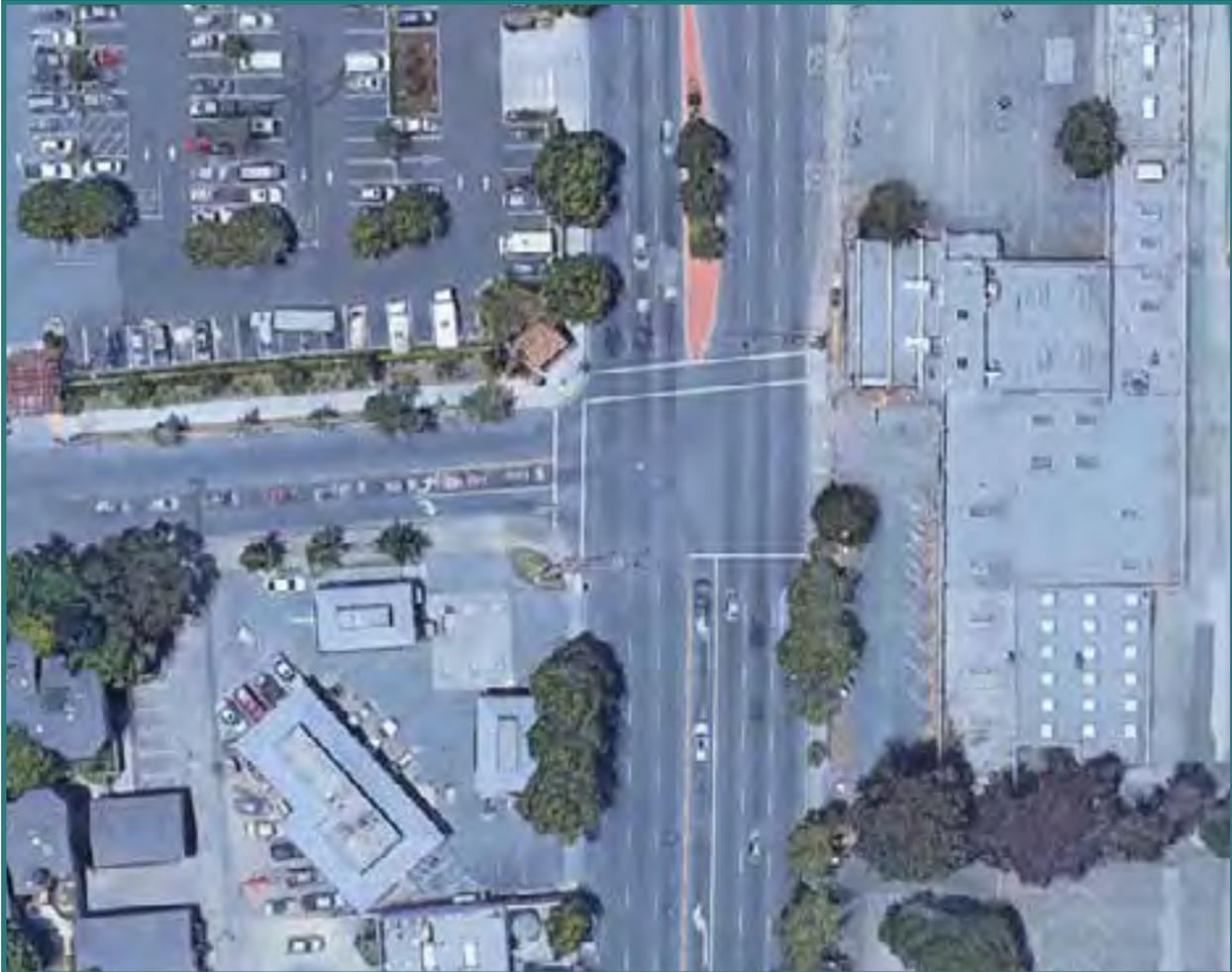


# STREETS AND SIDEWALKS



Preserving the foundation of the transportation system



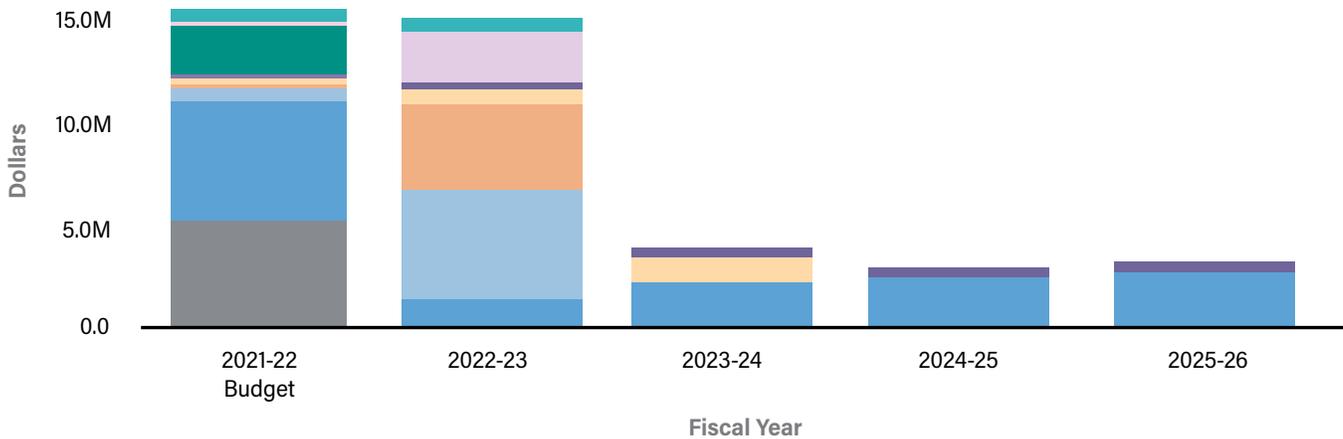


## Streets and Sidewalks

The Streets and Sidewalks CIP projects maintain and improve the City's roadways, City-owned parking plazas, and sidewalks. This category of the CIP is supported by a variety of sources including funds from the State of California, impact fees, parking permit sales, special gas tax levies, and countywide sales tax levies. Following City Council direction on April 27, 2021, the budgets for future year street resurfacing work on arterials and collectors have been increased to account for more expensive up-front costs of recycled asphalt pavement.



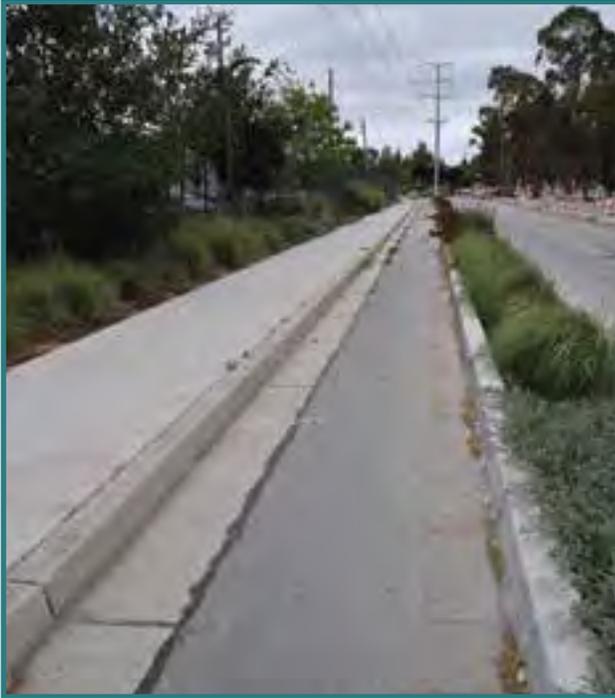
Streets and Sidewalks CIP [EXHIBIT SS.01]



Streets and Sidewalks CIP [EXHIBIT SS.02]

5-year Plan (funds not appropriated)

	2021-22	2022-23	2023-24	2024-25	2025-26
Downtown Parking Structure Study	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 0
El Camino Real Median Trees Improvements	135,000	0	0	0	0
Welcome to MP Sign	0	0	0	180,000	0
St. Cruz & Middle Ave Resurf	367,295	0	0	0	0
Sand Hill Tunnel Rehabilitation	490,000	0	0	0	0
Pierce Rd SW & SM Bic Rte Inst	630,627	0	0	0	0
Sharon Road Sidewalk Install	803,728	0	0	0	0
Chilco Streetscape & Sidewalk Installation	926,695	0	0	0	0
Willow Road Resurfacing	1,150,000	0	0	0	0
Ravenswood(Alma-Macusse)Resurf	1,204,392	0	0	0	0
Downtown Streetscape Improve	557,857	850,000	0	0	0
Parking Plaza 7 Renovations	2,200,000	0	0	0	0
Parking Plaza 8 Renovations	200,000	2,000,000	0	0	0
Sidewalk Repair Program	550,000	550,000	575,000	575,000	600,000
Streetlight Conversion	722,500	1,200,000	1,300,000	0	0
Middlefield Rd (Woodland to Ravenswood)	150,000	4,050,000	0	0	0
Utility Undergrounding	660,000	5,000,000	0	0	0
Street Resurfacing Project	5,162,140	1,575,000	2,600,000	1,600,000	2,000,000
<b>Total</b>	<b>\$ 15,910,234</b>	<b>\$ 15,325,000</b>	<b>\$ 4,475,000</b>	<b>\$ 2,355,000</b>	<b>\$ 2,600,000</b>



## Chilco Streetscape and Sidewalk Installation

This project involved the construction of landscaping, lighting, sidewalks, and bicycle facility improvements on Chilco Street from Bayfront Expressway to Hamilton Avenue. The project provided a critical connection between the Belle Haven neighborhood and recreational and open space opportunities along the San Francisco Bay and the Don Edwards Wildlife Refuge, the new TIDE Academy High School on Jefferson Drive, and other destinations in the Bayfront area. The budget proposed for fiscal year 2021-22 would reimburse Facebook for construction of median islands and according to the terms of the development agreement for the Facebook Campus Expansion Project now that the project is substantially complete, as of July 2020.



## Downtown Parking Structure Study

This project builds on preliminary parking structure concepts prepared as part of the El Camino Real/ Downtown Specific Plan, which focused on Parking Plazas 1, 2 and/or 3. The purpose of this project, would be to determine potential uses, siting, funding strategies and design of the structure.



## Downtown Streetscape Improvement

This project plans and implements street furniture, landscaping, and streetscape improvements in the downtown area per the El Camino Real/Downtown Specific Plan. In 2020-21, these funds are supporting the temporary closure of parts of Santa Cruz Avenue between El Camino Real and University Drive to vehicle traffic to provide more space for physical distancing in light of the pandemic.



## Utility Undergrounding

An undergrounding district provides framework to place overhead electrical and communication lines underground, which is consistent with the policy direction provided in the El Camino Real/Downtown Specific Plan and would be necessary for a potential future parking structure downtown. Three utility undergrounding districts were adopted by the City in February 2020: downtown, Middlefield Avenue and Alma Street near Burgess Drive. This project would provide additional funds for the prioritization of these districts and to allow design work to progress. The construction phase of this project would be funded by Rule 20A funds.



## El Camino Real Median Trees Improvements

This project would support a funding agreement with the 1540 El Camino Real project development to improve the trees in the median along El Camino Real between Encinal Avenue and Glenwood Avenue. This project is a condition of the development project's approval.



## Middlefield Rd (Woodland to Ravenswood) Resurfacing

This project proposes to resurface Middlefield Road (Woodland to Ravenswood). This project enhances the City's roadway network and improves the safety of a significantly damaged roadway. The construction funding in 2022-23 has been increased to account for the use of recycled asphalt pavement.





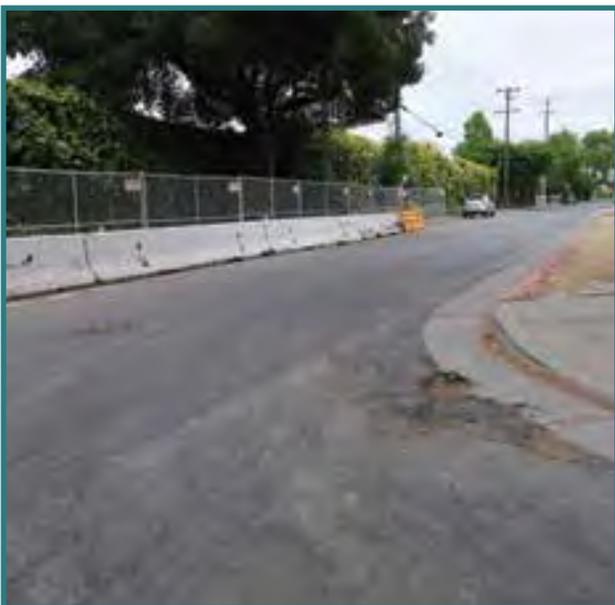
## Parking Plaza 7 Renovations

This project provides needed improvements at Parking Plaza 7 including asphalt pavement rehabilitation, storm drainage, lighting and landscaping. The intent is for the work to be coordinated with the downtown parking utility underground project.



## Parking Plaza 8 Renovations

This project provides needed improvements at Parking Plaza 8 including asphalt pavement rehabilitation, storm drainage, lighting and landscaping. The intent is for the work to be coordinated with the downtown parking utility underground project.



## Pierce Road Sidewalk and San Mateo Drive Bike Route Installation

This project will construct a number of bicycle and pedestrian enhancements in the City, including sidewalk gap construction on Pierce Road between Ringwood Avenue and Carlton Avenue and Del Norte Avenue to Alpine Avenue; bicycle route improvements on San Mateo Drive including crossing enhancements at Middle Avenue, crossing enhancements at Middle Avenue/Blake Street; and sidewalk construction at Coleman Avenue and Santa Monica Avenue. This project is partially funded by a grant from the San Mateo County Transportation Authority Measure A Pedestrian and Bicycle program.



## Ravenswood Avenue (Alma to Marcussen Dr) Street Resurfacing

This project proposes to resurface Ravenswood Avenue (Alma to Marcussen Dr). This project enhances the City's roadway network and improves safety including an evaluation of concepts to close the bicycle lane gap between the railroad tracks and Noel Drive. The construction funding in 2021-22 has been increased to account for the use of recycled asphalt pavement.



## Santa Cruz and Middle Avenues Resurfacing

The project involves the design and construction of street resurfacing work on Santa Cruz Avenue from Orange Avenue to Olive Street and of Middle Avenue from Olive Street to San Mateo Drive. With street resurfacing, an opportunity exists to install roadway striping changes (such as adding modifying crosswalks, adding bicycle lanes, or other changes) consistent with the City's adopted Bicycle Plan, El Camino Real/ Downtown Specific Plan, and Circulation Element; or in the future, consistent with the Transportation Master Plan. Striping changes to Santa Cruz and Middle Avenues will be evaluated as part of this project. The project also includes the construction of curb ramps and the installation of sidewalks along Santa Cruz Avenue. Once completed, the project will result in significant improvements to the roadway infrastructure and pedestrian safety. This project is partially funded by a grant from the One Bay Area Grant program.



## Sand Hill Tunnel Rehabilitation

This project would rehabilitate the tunnel under Sand Hill Road near Sand Hill Circle to conduct repairs and ensure its structural integrity.



## Sharon Road Sidewalk Installation

This project would install sidewalks on the north side of Sharon Road between Alameda de las Pulgas and Altschul Avenue. The project is anticipated to require parking to be removed from at least one side of the street. New sidewalks would provide an improved pedestrian connection between Alameda de las Pulgas and La Entrada Middle School, located just west of the project area.



## Sidewalk Repair Program

This ongoing project consists of the removal of hazardous sidewalk offsets and the replacement of sidewalk sections that have been damaged by City tree roots in order to eliminate trip hazards. This project utilizes funds from the Landscaping Assessment District to partially fund the work completed each year.



## Streetlight Conversion

Three neighborhoods in Menlo Park have streetlights on series circuits, which are unreliable, prone to damage and cause frequent, widespread outages. This project would replace these series circuits with updated electrical equipment to improve reliability of streetlights. Work would be phased in the three primary neighborhoods affected over the life of this project.



## Street Resurfacing Project

This ongoing project includes the selection and detailed design of streets to be resurfaced throughout the City during the fiscal year and utilizes a Pavement Management System to assess the condition of existing streets and assist in the selection process. This project enhances the City's roadway network and improves safety, and incorporates multi-modal transportation infrastructure in accordance with the City's transportation plans as streets are identified for resurfacing. This cost estimate does not account for application of any specialized paving treatments to reduce roadway noise.



## Welcome to Menlo Park Monument Signs

The project involves the design of "Welcome to Menlo Park" signs at approximately five key locations entering Menlo Park to further the City's brand as a desirable place to live, work and play. The proposed locations would include Sand Hill Road, Marsh Road, Willow Road, and both north and south ends of El Camino Real. The monument signs will meet the City's branding standards and comply with applicable Caltrans permitting requirements.



## Willow Road (Middlefield to US-101) Street Resurfacing

This project proposes to mill and overlay Willow Road (Middlefield to US 101). This project enhances the City's roadway network and improves safety. This cost estimate does not currently account for the use of recycled asphalt pavement, as the project is expected to be awarded prior to the fiscal year 2021-22 budget adoption.

# TRAFFIC AND TRANSPORTATION



Improving multi-modal access and safety



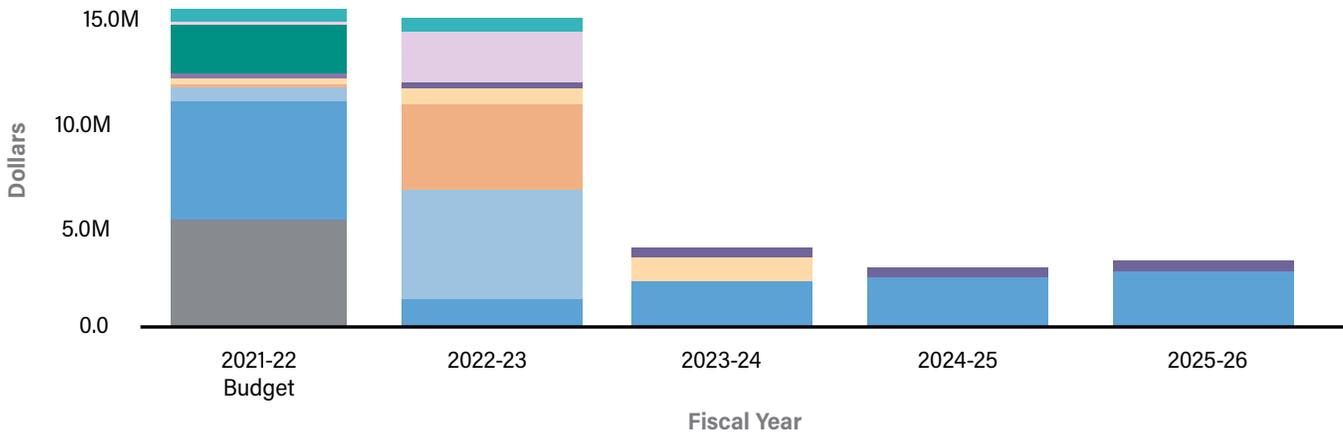


## Traffic and Transportation

The Traffic and Transportation CIP provides for projects that improve multi-modal access and safety and manage the flow of traffic on City streets. Regional projects for which the City is an active partner, such as the Willow Road and US Highway 101 interchange landscaping, are also included. This category of the Capital Improvement Plan is supported by a variety of sources including funds from the State of California, impact fees, special gas tax levies, and countywide sales tax levies. Many of these projects are also supported by funds in the annual operating budget for routine maintenance of traffic signals, signs, and street markings, and for transportation planning efforts, such as the Safe Routes to Schools program. This category is also heavily supported by local, regional and state grant funding opportunities, such as competitive programs for bicycle and pedestrian improvements, railroad safety improvements, and traffic management strategies.



Traffic and Transportation CIP [EXHIBIT TT.01]



Traffic and Transportation CIP [EXHIBIT TT.02]

5-year Plan (funds not appropriated)

	2021-22	2022-23	2023-24	2024-25	2025-26
Transit Improvements	\$ 37,278	\$ 0	\$ 0	\$ 0	\$ 0
Belle Haven Traffic Calming Plan Implementation	50,000	0	0	0	0
Caltrain Quiet Zone Evaluation	75,000	0	0	0	0
Bayfront, Willow, Marsh Adaptive Traffic Signal	119,459	0	0	0	0
Willow - 101 Interchange	188,258	0	0	0	0
Middle Avenue Complete Streets Study	200,000	0	0	0	0
ECR Crossings Improvements	307,087	0	0	0	0
Willow Oaks Bike Connector	500,000	0	0	0	0
Middlefield/Linfield-Santa Monica Crosswalk	80,000	880,000	0	0	0
Haven Ave Streetscape Improv	1,267,774	0	0	0	0
Transportation Projects(Minor)	865,623	175,000	175,000	175,000	175,000
Traffic Signals Modifications	1,319,013	350,000	350,000	350,000	350,000
Willow Rd & Newbridge St Bicycle and Pedestrian Improvement	0	2,800,000	0	0	0
Middle Ave Caltrain Cross Stud	5,954,095	9,900,000	0	0	0
<b>Total</b>	<b>\$ 10,963,587</b>	<b>\$ 14,105,000</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>



## Bayfront Expressway Pedestrian/Bicycle Bridge

This project is designed to address multiple concerns with the lobby of the Burgess Pool building, such as the inadequate space of the transaction area and the high noise levels. The project would involve the relocation of the entrance to the lobby, redesign of the counter space, additional seating and the installation of acoustical treatments.



## Bayfront, Willow and Marsh Adaptive Traffic Signals

Adaptive signal timing dynamically adjusts timing at traffic signals in real-time to accommodate changing traffic conditions. This system will improve travel time reliability, ease traffic congestion, and reduce fuel consumption. This project will coordinate with Caltrans to install an adaptive traffic signal system on Bayfront Expressway, Willow Road and Marsh Road corridors. This project is partially funded by a grant from the San Mateo County Transportation Authority Highway program.



## Belle Haven Traffic Calming Plan Implementation

This project would fund ongoing staff time to support completion of the Belle Haven Traffic Calming Plan implementation efforts. This project is required as an environmental mitigation measure for the Facebook Campus Expansion project.



## Caltrain Grade Separation

The existing Ravenswood Avenue Caltrain crossing is a critical rail crossing within Menlo Park. It is within the El Camino Real/Downtown Specific Plan Area and falls within the City's Priority Development Area. The project would fund the additional scope of work requested by the City Council in 2018 to evaluate a fully elevated alternative and advance engineering design of a chosen preferred alternative.



## Caltrain Quiet Zone Evaluation

This study would fund a review of grade crossing improvements needed to consider a quiet zone along the Caltrain corridor at the Encinal, Glenwood, Oak Grove and Ravenswood Avenue crossings.



## El Camino Real Crossings Improvements

This project designs improvements for east-west pedestrian and bicycle connections as identified in the El Camino Real Corridor Study.



## Garwood Way Bicycle Route

This project would install Class III bicycle route on Garwood Way between Glenwood and Oak Grove Avenues, as required by the environmental mitigation measure TRA-2.1(c) of the 1300 El Camino Real project and consistent with the El Camino Real/Downtown Specific Plan.



## Haven Avenue Streetscape Improvement

This project provides new bicycle and pedestrian facilities on Haven Avenue, connecting Menlo Park, San Mateo County and Redwood City residents and employees. It provides a direct connection to the San Francisco Bay Trail, functioning as an interim gap closure of the Bay Trail between Bedwell-Bayfront Park and Seaport Avenue, better serving commute and recreational needs. This project is partially funded by contribution of funds collected from vehicle registration fees from C/CAG and a Caltrans grant.



## Middle Avenue Caltrain Crossing and Study Design and Construction

This project would provide a grade-separated crossing through the Caltrain railway to create a pedestrian/ bicycle connection near Middle Avenue, between Alma Street near Burgess Park and El Camino Real at the proposed open space plaza as identified in the El Camino Real/Downtown Specific Plan. The project would develop detailed design plans and construct the project. As part of the terms of the development agreement for Middle Plaza at 500 El Camino Real, Stanford University is required to make a contribution towards the cost of the project, 50 percent of the cost, up to \$5,000,000. In May 2020, the Santa Clara County Board of Supervisors also allocated \$1,000,000 in funds for this project through the Stanford University recreation mitigation fund from established during the 2000 General Use Permit approvals.



## Middle Avenue Complete Streets Study

At the City Council's October 13 meeting, the City Council directed staff to develop a traffic calming and speed reduction plan for Middle Avenue. Staff anticipates this work would build on the recommendations in the draft Transportation Master Plan (projects 92 and 118 in the draft plan) to add bicycle lanes and improved pedestrian facilities, to also consider traffic calming improvements such as curb extensions/bulb-outs, raised or other crosswalk enhancements, improved signage, or other devices to slow vehicle traffic. It is expected this work would also build on a petition received in mid-2019 from Middle Avenue residents, and as such, community engagement will be a critical component of developing conceptual plans for this project. Staff proposes that this project would be developed in three phases: conceptual design and community engagement; trial installation using "quick-build" materials; and final installation using permanent materials. This three-phase approach is consistent with the process currently underway in the Belle Haven neighborhood traffic calming plan, where the trial installation is currently in place. This project would be consistent with the required environmental mitigation measure for the Middle Plaza (500 El Camino Real) project to install bicycle lanes on Middle Avenue between El Camino Real and University Drive (TRA-2.1).



## Middlefield/Linfield Drive -Santa Monica Crosswalk

This project would evaluate and complete engineering design for crossing improvements at the Middlefield Road/ Linfield Drive and Santa Monica Avenue intersections to improve bicycle and pedestrian safety at this location. This project effort would include coordination with Menlo Park Fire Protection District for emergency access considerations to Station 1 adjacent to the intersection.



## Traffic Signal Modifications

This annual project provides funds to upgrade City traffic signals. Funds would be used to replace equipment nearing the end of its useful life, enhance signal phasing and timing, and upgrade existing signals to current standards. The funds provided will generally allow a complete upgrade of a single intersection or upgrades to components of approximately three signals per year. Projects will be prioritized for implementation through the Transportation Master Plan.



## Transit Improvements

The purpose of this project is to support development of transit options and improvements in Menlo Park. Improvements to bus stop amenities (benches, new signs, schedules and markings to guide shuttle users) will be installed through this project.



## Transportation Projects (Minor)

This annual project supports small transportation projects such as minor crosswalk enhancements, bicycle lane gap closures, traffic signal modifications and sign/ striping installations and restores routine maintenance levels for more timely response to resident complaints. Projects will be prioritized for implementation through the Transportation Master Plan. Funding will help address issues identified through initiation of the safe routes to school program.



## Willow Rd and Newbridge St Bicycle and Pedestrian Improvements

This project would add a protected bicycle lane on the south-west bound direction of Willow Road between Hamilton Avenue and Newbridge Street; widen sidewalks on Newbridge Street; and add a bicycle route on Van Buren Road to connect to the Ringwood Avenue bicycle and pedestrian overcrossing. The City partnered with Mid-Pen Housing and SamTrans to pursue grant funds for this project from the Affordable Housing and Sustainable Communities program, but was not awarded funds in FY20-21. Staff will continue to look for funds for these projects from alternative funding sources, such as the state or regional Active Transportation Program, or countywide Measure A or Measure W programs, for a future year.



## Willow Road Transportation Study

Travel time and congestion on Willow Road between Middlefield Road and Bayfront Expressway has increased significantly since 2013 as a result of regional traffic growth in the mid-Peninsula region. In 2008, the City/ County Association of Governments of San Mateo County(C/CAG) completed the Gateway Corridor Study, which identified transportation improvements for Willow Road, University Avenue, and Bayfront Expressway and analyzed cost-benefits of each improvement. This proposed study builds on the C/CAG study and the City's current Connect Menlo General Plan Update to identify any short-term modifications and prioritize the longterm projects that the City can advocate for regionally to improve traffic conditions on Willow Road. Coordination with C/CAG, the Cities of Palo Alto and East Palo Alto, and Caltrans is an important aspect of this project.



## Willow/101 Interchange

Construction of the Willow Road/U.S. 101 interchange was completed in mid-2019. As a follow up to the interchange reconstruction, this funding would support the planning and design of landscaping to be installed in the project area. The landscaping design would be closely coordinated with Caltrans, who owns and has responsibility to maintain the majority of the project area; San Mateo County Transportation Authority (funding partner for the interchange construction); and East Palo Alto, since a portion of the interchange located within the boundaries of East Palo Alto.



## Willow Oaks Bicycle Connector

This project upgrades the existing pedestrian pathway in Willow Oaks Park to accommodate both bicycles and pedestrians. It will also extend the pathway from Willow Road to Gilbert Avenue and widen the path to ten feet. Other improvements include adjustments to back flow preventers and storm drainage improvements near Pope Street to reduce water ponding.



# WATER



Delivering safe drinking water

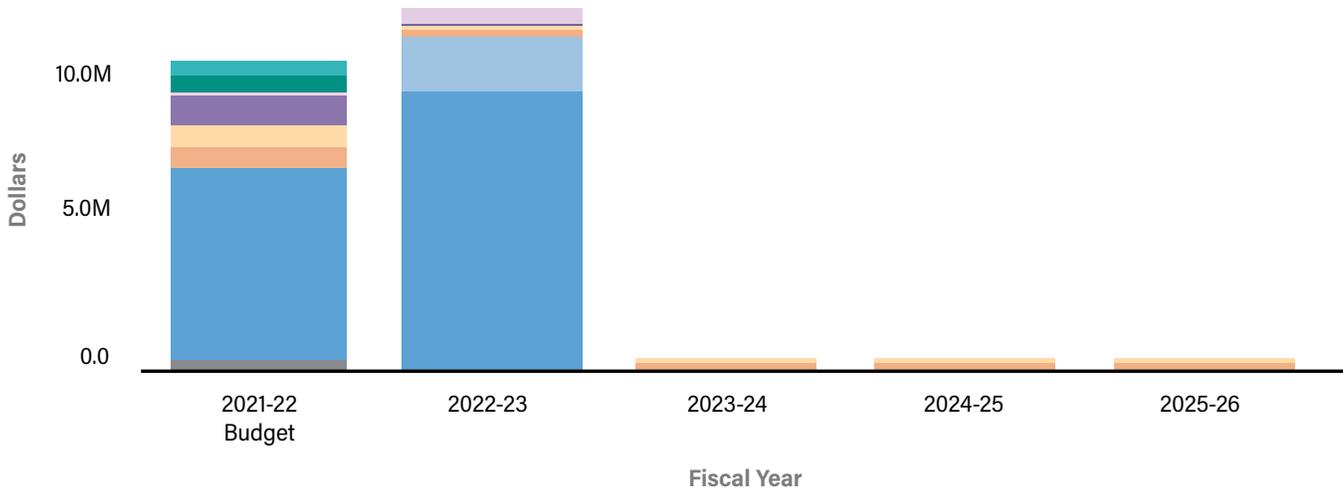


## Water

Water CIP projects improve the delivery of safe drinking water to those 4,400 connections served by the City's municipal water service, covering approximately half of the City's residents and businesses. This category of the CIP is supported fully by water ratepayers and capacity charges paid by new connections to the water system. Other possible funding strategies for these projects include grants, the issuance of water revenue bonds, State low interest loans, as well as the development of benefit assessment districts that can pay for improvements in specific sections of the City where more investment needs have been identified.



Water CIP [EXHIBIT WAT.01]



Water CIP [EXHIBIT WAT.02]

5-year Plan (funds not appropriated)

	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
Water Main Replacement Project	\$ 4,081,197	\$ 1,800,000	\$ 2,565,000	\$ 4,420,000	\$ 0
Emergency Water Storage/Supply	3,532,801	2,550,000	3,060,000	0	0
Reservoir #2 Roof Replacement	4,575,720	0	0	0	0
Automated Water Meter Reading	2,101,867	1,535,000	0	1,779,100	0
Fire Flow Capacity Improvement	1,692,727	0	0	0	0
Calwater Alma Interconnection	140,000	1,500,000	0	0	0
Palo Alto Pope Chaucer Interconnection	0	344,300	0	0	0
L Zone 12" Check Valve Hill SFPUC	0	0	195,900	0	0
Reservoirs #1 & #2 Mixers	98,908	0	0	0	0
L Zone 12" Check Valve Hill SFPUC	0	0	98,600	0	0
<b>Total</b>	<b>\$ 16,223,220</b>	<b>\$ 7,729,300</b>	<b>\$ 5,919,500</b>	<b>\$ 6,199,100</b>	<b>\$ 0</b>



## Automated Water Meter Reading

This project involves the installation of a radio based communication system to enable Menlo Park Municipal Water to read water meters automatically rather than manually. With this upgrade, the accuracy of meter reads would be improved, resulting in the timely detection of water leaks, reduction of water loss and improved customer service.



## Calwater Alma Interconnection

This project identified in the Water System Master Plan Capital Improvements will install a metered interconnect between the Menlo Park Water System and Calwater system at Alma St. The project will also replace the water main back to the SFPUC connection near 500 El Camino Real as part of the Middle Avenue Under-crossing improvements.



## Emergency Water Storage/Supply

This project involves the development of up to three emergency standby wells to provide a secondary water supply in Menlo Park Municipal Water's lower zone service area. An emergency water supply would be needed in the event of an outage of the Hetch Hetchy system.



## Fire Flow Capacity Improvements

This project involves the planning, design and implementation of water infrastructure improvements recommended in the Water System Master Plan to address fire flow capacity deficiencies identified throughout the Menlo Park Municipal Water service area.



## Lower Zone 10" Check Valve at Burgess SFPUC Turnout

SRI is served directly from the SFPUC Burgess turnout without pressure regulation. Replacing the existing normally closed valve with a check valve would interconnects Lower Zone to SRI if the SFPUC Burgess turnout is out of service. Under normal conditions, the check valve would prevent unregulated high pressure water from flowing into the Lower Zone. The check valve would be installed near the existing normally closed valve between the 10-inch bypass and the Burgess PRV station.



## Lower Zone 12" Check Valves (2) for Hill SFPUC Turnout

The High Pressure Zone is served directly from the SFPUC Hill Turnout. Replacing the existing normally closed valves with check valves would Interconnect the Lower Zone and High Pressure Zone if the Hill turnout is out of service. Under normal conditions, the check valve would prevent unregulated high pressure water from flowing into the Lower Zone. Check valves will be installed at the intersections of Del Norte and Terminal Avenue and Del Norte and Market Place.



## Palo Alto Pope-Chaucer Connection

This project identified in the Water System Master Plan Capital Improvements will install a metered interconnect between the Menlo Park Water System and City of Palo Alto Water system at the Pope-Chaucer bridge, set to be reconstructed as part of the San Francisquito Creek flood improvements project.



## Post Earthquake Operation Plan

While the Water System has an Emergency Response Plan that is updated regularly for general emergency response activities, this plan would focus on the operational response and recovery following a seismic event that potentially impacts the capability to deliver water.



## Reservoir No. 2 Roof Replacement

The project involves the replacement of the roof on Reservoir 2, which is deteriorating and at the end of its life expectancy. The replacement would ensure continued public health protection and system reliability.



## Reservoirs #1 & #2 Mixers

This project funds the purchase and installation of solarpowered mixers for Reservoir #1 and Reservoir #2 to improve water quality.



## Urban Water Management Plan

This project involves the preparation of Menlo Park Municipal Water's Urban Water Management Plan as required by the State. Due in 2021, the plan is developed every five years and assesses water supply and demand conditions.



## Water Main Replacement Project

This project is ongoing and focuses on the design and replacement of the City's aging water supply system to ensure continued public health protection and system reliability. Using a condition assessment based on pipe age, material, size and hazards, sections of the water system that are most vulnerable to failure are selected for replacement.





CITY OF MENLO PARK, CALIFORNIA

## Adopted Budget

2021-22 Fiscal Year

