



SPECIAL MEETING AGENDA – AMENDED

Date: 3/26/2020
Time: 5:00 p.m.
GoToWebinar.com – ID# 611-715-403

This amended agenda:

1. Updates teleconference meeting instructions for public participation and how to watch the meeting
2. Removes item G1. Consideration of an urgency ordinance to shelter the homeless

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: All members of the City Council, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
 - Submit a written comment online:
menlopark.org/publiccommentMarch26 *
 - Record a comment or request a call-back when an agenda topic is under consideration:
 Dial 650-474-4071 *
 - Access the meeting real-time online at:
[Gotowebinar.com/join](https://gotowebinar.com/join) — Meeting ID 611-715-403

*Written and recorded public comments and call-back requests are accepted up to 1 hour before the meeting start time. Written and recorded messages are provided to the City Council at the appropriate time in their meeting. Recorded messages may be transcribed using a voice-to-text tool.

- Watch the meeting
 - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto:
 Channel 26
 - Online:
menlopark.org/streaming

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City’s website www.menlopark.org.

According to City Council policy, all regular meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

Special Meeting

A. Call To Order

B. Roll Call

C. Pledge of Allegiance

D. Presentations and Proclamations

D1. Proclamation: Recognizing the importance of the 2020 Census ([Attachment](#))

E. Public Comment

Under “Public Comment,” the public may address the City Council on any subject not listed on the agenda. Each speaker may address the City Council once under public comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The City Council cannot act on items not listed on the agenda and, therefore, the City Council cannot respond to non-agenda issues brought up under public comment other than to provide general information.

F. Consent Calendar

F1. Accept the City Council meeting minutes for February 25, March 3, 16, and 19 2020 ([Attachment](#))

F2. Adopt Resolution No. 6551 amending the Menlo Park tenant relocation assistance program administered by Samaritan House to include tenant rental assistance related to COVID-19 and other circumstances ([Staff Report #20-063-CC](#))

F3. Adopt a Resolution No. 6552 approving the sustainable vehicle fleet policy and address recommendations No.1 and No. 2 in the San Mateo County grand jury report titled “Electric Vehicle Adoption in the Cities and County of San Mateo” ([Staff Report #20-067-CC](#))

F4. Approval of amended and restated joint powers agreement for the San Francisquito Creek Joint Powers Authority ([Staff Report #20-064-CC](#))

F5. Receive and accept the 2019 Housing Element Annual Progress Report and the annual housing successor report ([Staff Report #20-065-CC](#))

F6. Receive and file the investment portfolio review as of December 31, 2019
([Staff Report #20-066-CC](#))

G. ~~Regular Business~~

~~G1. Consideration of an urgency ordinance to shelter the homeless~~

H. Informational Items

H1. City Council agenda topics: April 2020 to June 2020 ([Staff Report #20-062-CC](#))

H2. City Council and commission/committee annual attendance report for March 2019–February 2020
([Staff Report #20-053-CC](#))

I. City Manager's Report

J. City Councilmember Reports

K. Adjournment

At every regular meeting of the City Council, in addition to the public comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Council on any item listed on the agenda at a time designated by the chair, either before or during the City Council's consideration of the item.

At every special meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available for inspection at the city clerk's office, 701 Laurel St., Menlo Park, CA 94025 during regular business hours. Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 3/25/2020)

**RECOGNIZING THE IMPORTANCE OF THE 2020 CENSUS AND
ENCOURAGING RESIDENTS OF THE COUNTY OF SAN MATEO TO
PROMOTE AND COMPLETE THE CENSUS TO ENSURE A FAIR,
ACCURATE AND COMPLETE COUNT**

WHEREAS, pursuant to the United States (US) Constitution, every 10 years, the federal government is required to count all residents in the United States, citizens and noncitizens, through a national census and the next national census, scheduled to begin in April 2020, is central to our democracy; and

WHEREAS, a primary and perpetual challenge facing the U.S. Census Bureau is the undercount of certain population groups. California has a large percentage of individuals that are considered traditionally hard to count and there are over 100 languages spoken in the County, and 34.8 percent of residents in the County are foreign born; and

WHEREAS, the data is collected by the decennial Census determines the number of seats each state has in the U.S. House of Representatives and is used to distribute billions of dollars in federal funds to state and local governments and the data is also used in the redistricting of state legislatures, county boards of supervisors and city councils; and

WHEREAS, California receives nearly \$77,000,000,000 in federal funding that is allocated, in part, based on census data and the U.S. Census is facing several challenges with Census 2020, including constrained fiscal environment, rapidly changing use of technology, declining response rates, increasingly diverse and mobile population, thus support from partners and stakeholders is critical and a complete and accurate count of California's population is essential and the decennial census is a massive undertaking that requires cross sector collaboration and partnership in order to achieve a complete and accurate count; and

WHEREAS, California's leaders have dedicated a historic amount of funding and resources to ensure every Californian is counted once, only once and in the right place; and this includes coordination between tribal, city, county, state governments, community-based organizations, education, and many more and the County received \$228,000 from the State of California for use in Census 2020 efforts and outreach and the County is committed to ensuring a complete and accurate count by partnering with other local government, the State, businesses, schools and community organizations; and the County has committed resources toward a robust outreach and communications strategies; focusing on reaching the hardest-to-count individuals.

NOW, THEREFORE, BE IT PROCLAIMED that I, Cecilia Taylor, Mayor of the City of Menlo Park, recognize the importance of the 2020 Census and encourage residents of the County of San Mateo to promote and complete the census to ensure a fair, accurate and complete count.

Cecilia Taylor, Mayor



SPECIAL AND REGULAR MEETING MINUTES – DRAFT

Date: 2/25/2020
Time: 5:30 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

5:30 p.m. Closed Session (City Hall - “Downtown” Conference Room, 1st Floor)

Mayor Taylor called the meeting to order at 5:30 p.m.

Roll Call

Present: Carlton, Combs, Nash, Mueller, Taylor
Absent: None
Staff: City Manager Starla Jerome-Robinson, Assistant City Manager Nick Pegueros, City Attorney William McClure, Assistant City Attorney Cara Silver, City Clerk Judi A. Herren (excused at 5:35 p.m.), Administrative Services Director Lenka Diaz, Human Resources Manager Theresa DellaSanta, Sloan Sakai Law representative Genevieve Ng

Public Comment

- Management Analyst II Mike Noce, with donated time from GIS Coordinator II Whitney Loy, discussed external factors impacting Menlo Park employees and turnover impacts to the organization.

CL1. Labor negotiations (Gov. Code section 54957.6)

Agency designated representatives: City Manager Starla Jerome-Robinson, Assistant City Manager Nick Pegueros, City Attorney Bill McClure, Administrative Services Director Lenka Diaz, Human Resources Manager Theresa DellaSanta

Employee Organization: American Federation of State, County, and Municipal Employees Local 829 (AFSCME) and Confidential employees; Service Employees International Union Local 521 (SEIU); Menlo Park Police Sergeants Association (PSA); Menlo Park Police Officers’ Association (POA); and Unrepresented Management

Mayor Taylor adjourned to the regular session at 7 p.m.

7:00 p.m. Regular Session

A. Call To Order

Mayor Taylor called the meeting to order at 7:09 p.m.

B. Roll Call

Present: Carlton, Combs, Nash, Mueller (excused at 7:57 p.m.), Taylor
Absent: None
Staff: City Manager Starla Jerome-Robinson, City Attorney William McClure, City Clerk Judi A. Herren

C. Pledge of Allegiance

Mayor Taylor led the Pledge of Allegiance.

D. Report from Closed Session

None.

E. Public Comment

- Bill Kirsch spoke on concerns regarding the dangers at the Alma Street and Ravenswood Avenue intersection.

Mayor Taylor reordered the agenda.

H. Regular Business

- H1. Approve the interim service levels provided during the construction of the Belle Haven community center and library project, appropriate \$1 million for interim services, and waive purchasing requirements and increase the city manager purchasing authority to \$500,000 for interim services ([Staff Report #20-039-CC](#))

Finance and Budget Manager Dan Jacobson made the presentation (Attachment).

- Maria Chiprez spoke in support of maintaining or expanding services.
- Maria Elihar spoke in support of maintaining a welcoming environment.
- Nora Saez spoke on concerns regarding the size of the proposed design.
- Ishmael Oseguera spoke in support of retaining the same center and building around the current location, however, if relocation must occur, retain the same size and services.
- Senseria Conley spoke in support of a larger facility.
- Galfira Garcia spoke in support of staying in the current location.
- Sheryl Bims spoke in support of the new center and recognizing the challenges and sacrifices in order to achieve the goal.

The City Council received information on the percentage of Menlo Park residents being served by the current center. The City Council discussed the current services provided and the services presented by staff during the construction of a new facility. The City Council had consensus in not increasing the city managers purchasing authority and 24-hour noticed meetings to approve purchasing for the project.

ACTION: Motion and second (Combs/ Carlton) to approve interim service levels for the Belle Haven Youth Center, Onetta Harris Community Center, and Menlo Park Senior Center provided during construction of a new facility, appropriate \$1 million to the Belle Haven community center and library project to provide interim services for up to 30 months, waive purchasing requirements to secure facilities, goods, and services required to provide interim services promptly, and approve 24-hour noticed meetings for City Council purchasing approval, passed 4-0-1 (Mueller absent).

Mayor Taylor reordered the agenda.

K. City Councilmember Reports

Mayor Taylor announced the twentieth annual black heritage and gospel festivities at the senior center on Friday, February 28 at 11:20 a.m. Taylor also announced the special City Council meeting on April 14 and the annual advisory body recruitment through April 3.

F. Consent Calendar

Mayor Taylor pulled items F3., F5., and F7.

City Councilmember Carlton pulled items F1., and F6.

City Councilmember Nash pulled item F4.

- F1. Accept the City Council meeting minutes for January 28 and 30, 2020 (Attachment)

City Council discussed the use of the term “transportation” in the City Council discussion on January 30. Mayor Taylor requested the Menlo Park Fire District response letter to the January 30 goal setting meeting be returned for City Council approval.

- F2. Receive and file information on police department’s strategic plan initiative and stakeholder meetings (Staff Report #20-040-CC)

ACTION: Motion and second (Combs/ Carlton) to receive and file information on police department’s strategic plan initiative and stakeholder meetings, passed 4-0-1 (Mueller absent).

- F3. Approve payment of \$91,072 to the County of San Mateo for participation in the fiscal year 2019-20 office of emergency services joint powers agreement (Staff Report #20-041-CC)

City Council confirmed the 2014 policy is scheduled to be updated.

- F4. Approve interim city attorney services agreement with Jorgenson, Siegel, McClure & Flegel, LLP (Staff Report #20-038-CC)

City Council requested “Interim” to be used for city attorney title on City documents.

- F5. Receive and file an update on the Menlo Park Transportation Management Association feasibility study (Staff Report #20-042-CC)

- Mickie Winkler spoke on concerns regarding the Steer Group report.

City Council discussed bicycle and pedestrian considerations in the TMA (Transportation Management Association) study and the impact on Vision Zero.

- F6. Adopt Resolution No. 6543 supporting the City’s shuttle program for application for the San Mateo County shuttle program fiscal year 2020-21 and fiscal year 2021-22 and authorize the city manager to enter into funding agreements (Staff Report #20-043-CC)

- Adina Levin spoke in support of keeping effective shuttle routes.

The City Council discussed the cost and operational issues of the shuttles.

- F7. Adopt fiscal year 2020-21 budget principles (Staff Report #20-044-CC)

The City Council discussed the budget principles and received clarification on resources across the City.

ACTION: Motion and second (Taylor/ Nash) to adopt fiscal year 2020-21 budget principles, updating 2a (from staff report) to read “Implement City ordinances and City Council adopted initiatives and strategies in order to contribute to the quality of life in Menlo Park”, 2c (from staff report) to read “Strive to balance the resources and requirements of each area of the City in an equitable manner through the use of equitable tools”, and 1b (from staff report) to read “Invest in technologies that minimize low value-add processes, increase transparency in communications and most efficiently utilize our talented staff”, passed 4-0-1 (Mueller absent).

ACTION: Motion and second (Carlton/ Taylor) to approve the consent calendar excluding items F2. and F7., passed 4-0-1 (Mueller absent).

G. Public Hearing

- G1. ~~Adoption of urgency Ordinance No. 1066 amending Chapter 16.79 and Section 16.04.295 [Definition of Dwelling Unit, Secondary] of the Menlo Park Municipal Code to comply with recent State legislation pertaining to accessory dwelling units and junior accessory dwelling units~~
Adoption of urgency Ordinance No. 1066 Amending Chapter 16.79 and Section 16.04.295 [Definition of Dwelling Unit, Secondary] of the Menlo Park Municipal Code to comply with recent State Legislation pertaining to accessory dwelling units and junior accessory dwelling units and direction regarding additional updates ([Staff Report #20-048-CC](#))

Assistant City Attorney Cara Silver and Interim Community Services Director Deanna Chow made the presentation (Attachment).

Mayor Taylor opened the public hearing.

- Michael Doran spoke on the difficulty in comprehending state law and provided suggestions to the ordinance (Attachment).
- Elias Blawie spoke on concerns with the timeliness of this item and in opposition of the ordinance

as presented.

- David Howard requested clarification on fire sprinklers, below market rate, and rent control implications.

Mayor Taylor closed the public hearing.

The City Council discussed a letter received from California Homeownership, fire sprinkler requirements and low cost housing requirements. The City Council received clarification on floor area limit (FAL) on single family lots. The City Council discussed consensus allowing up to 2-bedrooms for all accessory dwelling units.

ACTION: By acclamation, the City Council extended the meeting past 11 p.m.

ACTION: Motion and second (Carlton/ Combs) to adopt urgency Ordinance No. 1066 amending Chapter 16.79 and Section 16.04.295 [Definition of Dwelling Unit, Secondary] of the Menlo Park Municipal Code to comply with recent State legislation pertaining to accessory dwelling units and junior accessory dwelling units and amending proposed ordinance to (1) replace “secondary” with “accessory” throughout ordinance; (2) include a sunset provision to January 1, 2025 for delayed enforcement (amnesty) in Section 16.79.110 (3) increasing the bedroom allotment to two bedrooms for all accessory dwelling units and (4) adding “or designee” following “community development director” whenever an action could be taken, passed 4-0-1 (Mueller absent).

City Council took a break at 11:10 p.m.

City Council reconvened at 11:21 p.m.

G2. Adopt Resolution Nos. 6544, 6545, and 6546 establishing utility underground districts for Alma Street; Downtown Parking Plazas 7 and 8 and Menlo Avenue; and Middlefield Road ([Staff Report #20-045-CC](#))

Senior Project Manager Morad Fakhrai was available for questions.

Mayor Taylor opened the public hearing.

- David Howard spoke in support of undergrounding utilities on Menlo Avenue and on concerns regarding the impact to trees.
- Elias Blawie spoke on concerns about the selected areas for undergrounding.
- City Councilmember Nash read Adina Levin’s comments (Attachment).

Mayor Taylor closed the public hearing.

City Council discussed the proposed sites for undergrounding utilities and the importance of combining the undergrounding with other related projects (e.g., sidewalks and repaving).

ACTION: Motion and second (Carlton/ Combs) to adopt Resolution Nos. 6544, 6545, and 6546 establishing utility underground districts for Alma Street; Downtown Parking Plazas 7 and 8 and Menlo Avenue; and

Middlefield Road, passed 4-0-1 (Mueller absent).

I. Informational Items

- I1. City Council agenda topics: March 2020 to May 2020 ([Staff Report #20-035-CC](#))
- I2. Transmittal of background information on the City's 2019-2024 capital improvement plan ([Staff Report #20-046-CC](#))
- I3. Government Alliance on Race and Equity (GARE) ([Staff Report #20-047-CC](#))

Mayor Taylor commented that the City is researching GARE membership.

- I4. Update on potential marketing of United States Geological Survey (USGS) property and update on process for amending zoning ([Staff Report #20-051-CC](#))
 - Pamela Jones spoke in favor of the City's opportunity in investing on the property to develop housing.

The City Council discussed the sale and future plans for the property related to zoning and purchasing.

J. City Manager's Report

City Manager Jerome-Robinson reported the capital improvement project (CIP) study session is March 3.

K. City Councilmember Reports

City Councilmember Carlton reported that this meeting is City Attorney William McClure's last.

Mayor Taylor reported on electric leaf blowers.

City Councilmember Nash reported on the February 19 C/CAG (City/County Association of Governments) meeting, February 18 Menlo Park Fire Protection District meeting, February 19 M-Group meeting, and the February 20 Palo Alto Rail Town meeting.

L. Adjournment

Mayor Taylor adjourned the meeting at 12 a.m.

Judi A. Herren, City Clerk



SPECIAL MEETING MINUTES – DRAFT

Date: 3/3/2020
Time: 5:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

5:00 p.m. Closed Session (City Hall - “Downtown” Conference Room, 1st Floor)

Mayor Taylor called the meeting to order at 5:09 p.m.

Present: Carlton (arrived at 5:20 p.m.), Combs, Nash, Mueller, Taylor
Absent: None
Staff: Deputy City Manager Justin Murphy, City Clerk Judi A. Herren (excused at 5:10 p.m.), Administrative Services Director Lenka Diaz, Human Resources Manager Theresa DellaSanta

Public Comment

None.

CL1. Public employment (Gov. Code section 54957.)
City attorney recruitment

Mayor Taylor adjourned to the special session at 6 p.m.

Special Session

A. Call To Order

Mayor Taylor called the meeting to order at 6:06 p.m.

B. Roll Call

Present: Carlton, Combs, Nash, Mueller, Taylor
Absent: None
Staff: Deputy City Manager Justin Murphy, Interim City Attorney Cara Silver, City Clerk Judi A. Herren

C. Pledge of Allegiance

Mayor Taylor led the Pledge of Allegiance.

D. Presentations and Proclamations

D1. Proclamation: Recognizing Naomi Campbell

Mayor Taylor read the proclamation and Tony Ali, Mrs. Campbell's granddaughter, accepted.

Mayor Taylor reordered the agenda.

F. Consent Calendar

- F1. Direct staff to add one vacancy listing to the current recruitment effort for commissions/ committees and consider extending the current term for Sister City Committee members to October 1, 2020 ([Staff Report #20-061-CC](#))

ACTION: Motion and second (Combs/ Carlton) to approve the consent calendar, passed unanimously.

- D2. Presentation of the 2019 biennial community survey results ([Attachment](#))

President of Godbe Research Bryan Godbe made the presentation ([Attachment](#)).

- Lynne Bramlett asked how staff will use results to better the life of Menlo Park residents and commented on the survey questions and behaviors.

The City Council received clarification that the full report contains details related to the methodology, top line data, and cross tabulations. The City Council discussed the results of Menlo Park compared to other cities and received clarification that Menlo Park has been one of the more transparent cities with the survey results.

E. Study Session

- E1. Receive an update on the status of the capital improvement plan and provide direction on project priorities

Assistant Public Works Director Chris Lamm made the presentation ([Attachment](#)).

- Lynne Bramlett spoke on concerns about missing financial and status information for capital improvement projects (CIP).
- Josie Gaillard spoke of the opportunity to look at the CIP with climate conscious reasoning.

The City Council commented on the history of the downtown parking structure and discussed the climate action plan in conjunction with the CIP.

Mayor Taylor continued this item to a future meeting.

G. Adjournment

Mayor Taylor adjourned the meeting at 7:23 p.m.

Judi A. Herren, City Clerk



EMERGENCY MEETING MINUTES – DRAFT

Date: 3/16/2020
Time: 5:00 p.m.
City Hall – “Downtown” Conference Room, 1st Fl
701 Laurel St., Menlo Park, CA 94025

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

The San Mateo County Health Official has prohibited public or private gatherings of more than 50 persons, and gatherings of fewer than 50 people unless all required COVID-19 risk mitigation measures are implemented. The health officer strongly urges that all non-essential gatherings be canceled, postponed or done remotely.

This special emergency meeting of the Menlo Park City Council on March 16, 2020, is a necessary business meeting and is therefore an essential gathering; it will also be held remotely. The public may join the meeting in person at the noticed location to provide public comment before closed session; however, the City strongly urges compliance with the COVID-19 risk mitigation measures directed by the San Mateo County Health Officer and additional recommended preventative measures outline below:

Required COVID-19 risk mitigation measures:

- All attendees should stand or sit at least 6 feet from any other attendee;
- Proper hand hygiene and sanitation will be readily available to all persons at all times; additionally, alcohol-based hand sanitizer will be used;
- Attendees are advised that gatherings pose a heightened risk of COVID-19 transmission, and that older adults and individuals with existing health conditions as identified by the Centers for Disease Control and Prevention (CDC) and Appendix A attached to the [Order of the Health Officer No. c19-2b](#) (Revised) are at particularly serious risk if they contract COVID-19 and should not attend;
- Surfaces will be disinfected with wipes or other standard cleaners before, during and after the event.

Additional recommended preventive measures:

- Those over the age of 60 and those with co-morbid conditions (other underlying health conditions) should avoid gatherings to the extent possible;
- Stop shaking hands
- Under all circumstances, stop touching your face, eyes, nose or mouth with your unwashed hands.
- Social distancing – stay at least six (6) feet away from all other people – where possible.
- Wash your hands often with soap and water for at least 20 seconds especially after you have been in a public place or after blowing your nose, coughing or sneezing. If soap and water are not readily available, use a hand sanitizer that contains at least 60 percent (60%) alcohol. Cover all surfaces of your hands and rub them together until they feel dry.
- Use a barrier, such as a paper towel or tissue, to touch commonly touched surfaces such as door handles or elevator buttons
- Cover your mouth and nose with a tissue when you cough or sneeze, and then throw the used tissue in the trash. If tissue is available, use the inside of your elbow. Immediately follow proper hand hygiene.
- If you are not feeling well or are experiencing cold, flu or other symptoms, stay home; avoid public areas and public transportation. Call ahead before seeking medical care.

How to Submit Remote Public Comments: To provide the safest environment for members of the public to participate in City Council meetings during the COVID-19 emergency, public comment can be submitted in writing via: [menlopark.org/publiccomment](https://www.menlopark.org/publiccomment) before 4 p.m., Monday, March 16, 2020. Alternatively, members of the public may call 650-330-6650 at 5 p.m. to address the City Council by telephone.

Note: If the San Mateo County Health Officer changes his recommendation relating to non-essential and essential gatherings, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City’s website www.menlopark.org.

Teleconference Participation: This meeting will be conducted in compliance with the Governors Executive Order N-25-20 issued March 12, 2020, allowing for deviation of teleconference rules required by the Brown Act. Some or all members of the City Council will be participating by teleconference. The purpose of this is to allow City Councilmembers, city staff and the public to participate in this emergency meeting while abiding by the San Mateo County Health Officer’s guidance for the COVID-19 emergency.

Mayor Taylor called the meeting to order at 5:05 p.m.

Roll Call

Present: Carlton, Combs, Nash, Mueller, Taylor
Absent: None
Staff: City Manager Starla Jerome-Robinson, Assistant City Manager Nick Pegueros, Interim City Attorney Cara Silver, Administrative Services Director Lenka Diaz, Human Resources Manager Theresa DellaSanta

CL1. Closed session conference with labor negotiators pursuant to Government Code §54957.6 regarding labor negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME) and Confidential employees; Service Employees International Union Local 521 (SEIU); Menlo Park Police Sergeants Association (PSA); Menlo Park Police Officers’ Association (POA); and Unrepresented Management.

Public Comment

Henry Riggs submitted an email comment regarding Public Employees' Retirement System (PERS) impact.

City Council discussed how to handle payment of employees during the next three weeks while City Hall was closed due to COVID-19. City Council directed the city manager to pay all regular and temporary employees for the next three weeks and to encourage employees who are not able to perform their regular work duties remotely to perform other city related work.

ACTION: By acclamation, the City Council approved to pay all regular and temporary employees for the next three weeks and to encourage employees who are not able to perform their regular work duties remotely to perform other city related work, passed unanimously.

Adjournment

Mayor Taylor adjourned the meeting at 6:21 p.m.

Judi A. Herren, City Clerk



EMERGENCY MEETING AGENDA MINUTES – DRAFT

Date: 3/19/2020
Time: 5:30 p.m.
City Hall – “Downtown” Conference Room, 1st Fl
701 Laurel St., Menlo Park, CA 94025

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 16, 2020, the San Mateo County Health Official ordered all individuals living within San Mateo County to shelter at their place of residence in order to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Legislative body teleconference participation: This meeting will be conducted in compliance with the Governor’s Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020, temporarily waiving portions of the Brown Act and modifying teleconference requirements. All members of the legislative body will be participating by teleconference.

How to Submit Remote Public Comments: In light of the shelter in place order, the City encourages public members to participate by providing remote public comments. To provide the safest environment for members of the public to participate in public meetings during the COVID-19 emergency, public comment can be submitted in writing via: menlopark.org/publiccomment one hour before the scheduled meeting time. Alternatively, members of the public may call 650-503-4130 at the start of the meeting to address the public body by telephone.

Public teleconference participation: Members of the public may participate by teleconference, as well as submit public comments in advance. Note: Public teleconference participation is not permitted during closed session discussion items. To submit public comments on agenda items remotely, see below.

Phone number call in: 650-503-4130

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City’s website www.menlopark.org.

Public Comment on these items will be taken before adjourning to closed session.
 (see also “How to Submit Remote Public Comments” above)

Mayor Taylor called the meeting to order.

Roll Call

Present: Carlton, Combs, Nash, Mueller, Taylor
 Absent: None
 Staff: City Manager Starla Jerome-Robinson, Assistant City Manager Nick Pegueros, Interim City Attorney Cara Silver, Administrative Services Director Lenka Diaz, Human Resources Manager Theresa DellaSanta

CL1. Closed session conference with labor negotiators pursuant to Government Code §54957.6 regarding labor negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME) and Confidential employees; Service Employees International Union Local 521 (SEIU); Menlo Park Police Sergeants Association (PSA); Menlo Park Police Officers' Association (POA); and Unrepresented Management.

Attendees: City Manager Starla Jerome-Robinson, Assistant City Manager Nick Pegueros, Deputy City Manager Justin Murphy, Interim City Attorney Cara Silver, Administrative Services Director Lenka Diaz, Human Resources Manager Theresa DellaSanta

No reportable actions.

CL.2 Threat to Public Services or Facilities (Government Code § 54957)

Consultation with: City of Menlo Park Director of Emergency Services and Interim City Attorney

The City Council created a subcommittee to work with the interim city attorney to draft an ordinance to secure public services and facilities.

ACTION: By acclamation the City Council appointed Mayor Taylor and City Councilmember Mueller to the subcommittee, passed unanimously.

Adjournment

Mayor Taylor adjourned the meeting at 7:30 p.m.

Judi A. Herren, City Clerk

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STAFF REPORT

City Council
Meeting Date: 3/26/2020
Staff Report Number: 20-063-CC

Consent Calendar: **Adopt Resolution No. 6551 amending the Menlo Park tenant relocation assistance program administered by Samaritan House to include tenant rental assistance related to COVID-19 and other circumstances**

Recommendation

Staff recommends City Council adopt Resolution No. 6551 (Attachment C) approving an amendment to the tenant relocation assistance program and guidelines for the following:

1. Change the title of the program to the tenant assistance program;
2. Expand the program to include emergency rental assistance related to impacts of COVID-19 and other circumstances; and
3. Modify the program guidelines to reflect these changes.

Policy Issues

Amendments to the tenant relocation assistance program to repurpose the program and funding to expand the scope to include tenant rental assistance related to COVID-19 and other circumstances is intended to provide support to residents that suffer loss of income or other unforeseen expenses.

Background

On May 7, 2019, the City Council approved the tenant relocation assistance program guidelines and by resolution, authorized a funding agreement with Samaritan House to administer Menlo Park's community housing fund to provide tenant relocation assistance in the amount \$100,000 for direct relocation assistance payments and \$12,000 for program administration expenses.

On March 10, City Council received a progress report on the tenant relocation assistance program, which was intended to provide financial assistance to Menlo Park residents facing displacement from their rental units for reasons not addressed by the City's tenant relocation assistance ordinance. More information on the program and progress report are included in Attachment A.

After receiving the progress report March 10, and in consideration of the anticipated impacts on household incomes due to COVID-19, the City Council directed staff to prepare an amendment to the program to repurpose and retitle the program and expand the scope to include tenant rental assistance.

Analysis

Due to existing and anticipated temporary reductions to household incomes related to COVID-19, the City Council directed staff to work with Samaritan House staff to prepare amendments to the tenant relocation assistance program guidelines that would expand eligibility criteria to include tenant rental assistance.

Summary of proposed amendments

The following is a summary of the proposed changes to the program based on the City Council's direction and input from the Samaritan House and City staff:

- Amend the program name from "tenant relocation assistance program" to "tenant assistance program."
- Expand program eligibility criteria to include one-time emergency rental assistance.
- Add a requirement that applicants for non COVID-19 related emergency rental assistance must demonstrate their ability to maintain income sustainability (e.g., they have enough income in the future to afford their rent.)
- Amend the definition of gross income as the amount received within the previous 30 days.
- Remove the program requirement that applicants must not be delinquent on rent (if the rent assistance will help to prevent or eliminate rent delinquency.)
- Make other necessary administrative amendments to the program guidelines.
- Make the amended program effective date March 10, the date City Council directed the changes to the program.

All other program administration and requirements will be unchanged. Households will still be required to submit required documentation for program and assistance eligibility determination. The proposed amendments are included in Attachment B.

Summary

If approved by the City Council, these proposed amendments will allow this program to be effectively used to provide some temporary relief to Menlo Park's most vulnerable population, helping residents remain in their homes, especially during this unprecedented pandemic.

Impact on City Resources

The City allocated and disbursed \$112,000 in August 2019 to support this program and no additional funds are requested at this time. The only other City resources utilized for this program was staff time.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Hyperlink – March 10, staff report “Receive a progress report on Menlo Park’s tenant relocation assistance program administered by Samaritan House and provide direction on next steps”:
menlopark.org/DocumentCenter/View/24429/H1-20200310-CC-Report-on-tenant-relocation-assistance-program?bidId=
- B. Revised tenant assistance program guidelines
- C. Resolution No. 6551 adopting updated tenant assistance program

Report prepared by:

Rhonda Coffman, Deputy Community Development Director – Housing

Reviewed by:

Deanna Chow, Interim Community Development Director
Cara Silver, Interim City Attorney

TENANT ASSISTANCE PROGRAM GUIDELINES

PURPOSE

This program will provide tenant rental assistance payments to Menlo Park residents facing displacement from their rental units for reasons not addressed by the new tenant relocation assistance ordinance, emergency rental assistance and rental assistance related to impacts of COVID-19, including loss or decrease in income.

This funding is not intended for use as the sole support for the program. The program administrator is required to enter into a contractual agreement with the City detailing the specific objectives to be accomplished as a result of the grant.

POLICY

1. GOALS AND PHILOSOPHY

The City of Menlo Park recognizes that:

- 1.1 the availability of basic human service and housing programs is a key determining factor in the overall quality of life of Menlo Park residents;
- 1.2 the most cost-effective and efficient manner to insure that these services are available to local residents is through the development of agreements with existing non-profit agencies;
- 1.3 contractual agreements with non-profit agencies allow the City to influence the human service and housing programs offered to Menlo Park residents; and
- 1.4 financial assistance grants demonstrate the City's support of the activities of specific non-profits and make it possible for these agencies to leverage additional funds which will benefit local residents.

2. PROGRAM ADMINISTRATION

- 2.1 Program administrator must be an incorporated non-profit entity and must be tax exempt (under Section 501(c)(3) of the IRS Code, and Section 2370(d) of the California Revenue and Taxation Code).
- 2.2 Program administrator must be based in or near Menlo Park and provide services locally.
- 2.3 Program administrator shall maintain accounting records which are in accordance with generally accepted accounting practices and must have an independent audit performed at least once every two years.
- 2.4 Program administrator must have bylaws which define the organization's purposes and functions, its organization and the duties, authority and responsibilities of its governing body and officers.
- 2.5 Governance of the program administrator should be vested in a responsible and active board which meets at least quarterly and establishes and enforces policies. The board should be large enough and so structured to be representative of the community it serves. It should have a specific written plan for rotation or other arrangements to provide for new members.

2.6 Program administrator must provide for adequate administration of the program to insure delivery of the services. The program administrator must have a written job description for each staff position and an organizational chart approved by the board. One individual must be designated as the full time director of the agency.

2.7 Program administrator shall use no less than 88% of City funds and other private donations to the program for direct relocation assistance payments, emergency rental assistance and rental assistance related to impacts of COVID-19 for eligible expenses and services. Program administration costs shall not exceed 12%.

3. PROGRAM ELIGIBILITY AND AMOUNT OF TENANT ASSISTANCE PAYMENTS

3.1 Eligibility for tenant assistance is based on certain program criteria. Assistance is primarily for circumstances that are not covered by the City's Tenant Relocation Assistance Ordinance including:

- a. Inability to pay rent due to economic condition caused by COVID 19.
- b. Unsustainable rent increase
- c. Landlord chooses not to continue to lease/rent to tenant
- d. Landlord issues notice to vacate
- e. Other extraordinary circumstances as determined by the program administrator and approved by the city's Community Development Director on a case by case basis

During the existence of the declared local emergency relating to COVID 19, priority will be given to the first eligibility criteria.

The general definition of an unsustainable rent increase is an amount equal to or greater than the Consumer Price Index (CPI) plus 10%, based on the current lease or rent amount before the tenant received the notice of increase. A range of CPI plus 5% to 10% is permitted in certain circumstances in order to administer the assistance on a case-by-case basis after an eligibility analysis is conducted.

3.2 In addition to an applicant submitting proof of eligibility (e.g. loss of income due to COVID-19, notice of unsustainable rent increase, notice to vacate, etc.), households must:

- a. meet income eligibility requirements
- b. occupy a unit located in incorporated Menlo Park for a minimum of twelve (12) months
- c. have a current valid lease or rental agreement with landlord

3.3 Households in the process of an eviction are generally not eligible, but the Community Development Director may make exceptions on a case by case basis.

3.4 Households must have income at or below 150% of the Area Median Income (AMI) for San Mateo County, as may be adjusted from time to time. Income determination is based on household income at the time of receipt of the qualifying relocation action notice or the gross income from the previous 30 days, whichever is less

3.5 Households must request assistance from the program administrator and must consent to providing information and documentation as requested for eligibility determination.

3.6 Tenant assistance shall not exceed \$5,000 per household. Only one assistance payment per unit is permitted, even if more than one household lives in a unit. Relocation assistance payments will be disbursed directly to vendors and rent payments will be disbursed directly to landlords or property managers on behalf of eligible households. Eligible expenses include:

- a. Rent payment
- b. Rental/lease deposit
- c. Moving related expenses
- d. Other customary and directly related relocation expenses as determined by program administrator

3.7 Legal fees are not an eligible relocation expense.

3.8 Tenant assistance is available one time only per household.

3.9 Households must request assistance from the program administrator and must consent to providing information and documentation as requested for eligibility determination.

4. FUNDING AND REPORTING

4.1 The City will provide one-time initial program funding of \$100,000 from the General Fund and expects other private sector partners to contribute to the program. Donations shall be made directly to program administrator and designated to support the Menlo Park Tenant Assistance Program.

4.2 Funds will be disbursed on a first come first served basis. This is a pilot program and no entitlement to funds shall be created by virtue of eligibility.

4.3 All decisions of the program administrator shall be final.

4.4 Program administrator shall track and report on the status of funds received and program administration on a periodic basis as specified in a funding agreement. City Community Development/Housing staff will review reports and provide summary reports to the Housing Commission and City Council on program performance.

RESOLUTION NO. 6551**RESOLUTION OF THE CITY COUNCIL ESTABLISHING TENANT ASSISTANCE PAYMENT FUND TO ASSIST TENANTS UNABLE TO PAY RENT DUE PRIMARILY TO FINANCIAL IMPACTS RELATING TO COVID-19 VIRUS**

WHEREAS, there are 12,347 residential units in Menlo Park. Of those, 6,927 (or 56 percent) units are owner occupied and 5,420 (or 44 percent) units are tenant occupied. In the Belle Haven neighborhood, 57 percent of the total population are tenants;

WHEREAS, the City of Menlo Park currently does not regulate rent increases or reasons for evictions from residential property and certain aspects of public peace, health, and safety are not adequately protected due to the lack of regulation;

WHEREAS, The California Housing Partnership Corporation estimates there is a shortage of 25,882 affordable rental homes to accommodate low-income renters in San Mateo County, which has a population of 748,732 and 106,289 renting households, according to the U.S. Census;

WHEREAS, the report Displacement in San Mateo County: Consequences for Housing, Neighborhoods, Quality of Life, and Health found that after being displaced, only 21 percent of households reported staying in the same neighborhood (within 1 mile of their previous home). Thirty-three percent of households left San Mateo County, generally moving to the Central Valley or eastern communities in the East Bay;

WHEREAS, the rents in San Mateo County and Menlo Park in particular have been steadily increasing. Increasing rents combined with a housing shortage places substantial pressure on the existing city residents who rent housing. In particular, rising rents can lead to tenant displacement of longstanding residents;

WHEREAS, on August 22, 2017, the City Council directed City Staff to prioritize housing policies, with tenant relocation assistance being part of the priority one recommended policies;

WHEREAS, according to the Legal Aid Society of San Mateo County ("Legal Aid"), at least 20 "no fault" eviction notices were issued within the past 32 months in Menlo Park and this sample of eviction activity, self-reported by the Menlo Park residents who elected to consult a lawyer, is a fraction of the total. Legal Aid further reports that at least an additional 10 Menlo Park households reported rent increases of more than ten percent (10%) during the past 32 months. Again, this fractional sampling does not capture the full-scale of significant rent increases in the city;

WHEREAS, this data is also supported by reports received by the City from tenants and community organizations that indicate at least 20 instances of "no fault" evictions and at least 10 instances of tenants having received rent increase notices greater than 10 percent (10%) since December 2015;

WHEREAS, tenants evicted in Menlo Park are forced to incur substantial costs related to new housing including, but not limited to, move-in costs, moving costs, new utility hook-ups, payments for temporary housing, and lost work time seeking housing. Move-in costs commonly

include first and last month's rent plus a security deposit equal to one month's rent, leading to total relocation expenses in excess of three months' rent;

WHEREAS, the impacts of evictions are particularly significant on low-income, elderly, and disabled tenants and tenants with minor children, justifying an additional payment for households with these tenants;

WHEREAS, the Centers for Disease Control and Prevention has stated that a novel coronavirus named "COVID-19" is a serious public health threat, based on current information.

WHEREAS, the County of San Mateo's Health Officer issued a statement on March 10, 2020, that evidence exists of widespread community transmissions of COVID-19 in San Mateo County;

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 constituted a world pandemic;

WHEREAS, on March 16, 2020, the County Health Officer issued a shelter in place order to all County residents, with limited exceptions, to preserve the further spread of the COVID-19;

WHEREAS, the current housing crisis in the Bay Area is expected to increase as low income tenants lose their jobs or experience reduced wages as a result of COVID-19 impacts;

WHEREAS, loss of their homes will not only have a significant impact on the individual household members, but will also impact the greater community through loss of longtime Menlo Park residents and school age children and through the reduction of economic and cultural diversity;

WHEREAS, in light of the numerous concerns noted herein, including but not limited to, the current and immediate threat to the public peace, health and safety by the fact that tenants are not adequately protected due to the lack of regulation and the adverse impacts that would result from displacement of City residents, this measure is necessary to preserve the public peace, health, and safety of the community.

NOW, THEREFORE, IT IS RESOLVED that:

1. The City Council hereby establishes a tenant assistance community housing fund to assist tenants unable to pay rent due to economic conditions related to COVID-19 and to provide other financial assistance in accordance with the program guidelines presented to the City Council on the March 26, 2020, incorporated herein as Exhibit A.
2. Resolution number 6496 is hereby repealed and replaced by this resolution.
3. This resolution shall become effective immediately.

I, Judi Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-sixth day of March, 2020, by the following votes:

\

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City
on this twenty-sixth day of March, 2020

Judi A. Herren, City Clerk

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STAFF REPORT

City Council

Meeting Date:

3/26/2020

Staff Report Number:

20-067-CC

Consent Calendar:

Adopt a Resolution No. 6552 approving the sustainable vehicle fleet policy and address recommendations No.1 and No. 2 in the San Mateo County grand jury report titled “Electric Vehicle Adoption in the Cities and county of San Mateo”

Recommendation

Staff recommends the City Council adopt Resolution No. 6552 to approve the sustainable vehicle fleet policy (Attachment A) to formalize the City’s process of assessing and acquiring vehicles with the intent of reducing greenhouse gas emissions by increasing the number of zero-emission fleet vehicles.

Policy Issues

The City Council must authorize the City’s response to San Mateo County grand jury reports.

The recommended sustainable vehicle fleet policy (Attachment B) will accelerate greenhouse gas reduction goals outlined in the Climate Action Plan and as directed by City Council Resolution No. 6535 (declaration of a climate emergency) by formalizing the evaluative process to increase zero-emission vehicles in the municipal fleet. Most vehicle acquisitions exceed the city manager’s authority and requires City Council approval.

Background

In November 2019, city staff responded to the San Mateo County grand jury report titled “Electric Vehicle Adoption in the Cities and county of San Mateo” (Attachment C). In the response, the City committed to the review of vehicle procurement procedures (recommendation No. 1) and analysis of the obstacles to the implementation of an electric vehicle policy (recommendation No. 2.) In addition, the City committed to delivering the analysis at a public meeting before the deadline set in the grand jury report, March 31.

In December 2019, the City Council adopted Resolution No. 6535 declaring a climate emergency. This resolution recognizes the urgent threat of climate change and demands accelerated action to combat it. The City’s climate action plan strategy also includes exploring an environmental purchasing procedure to reduce emissions related to climate change. The City’s vehicle fleet is one of the largest contributors to city operation greenhouse gas emissions.

As a result, staff has developed a sustainable vehicle fleet policy for the City Council’s consideration. This would expedite and prioritize the purchase of zero-emission vehicles and related infrastructure. However, this conflicts with current city code that requires all city purchases be at the lowest cost commensurate with required quality (Menlo Park Municipal Code 2.42.010)

City Council authorization and direction through adoption the attached sustainable vehicle fleet policy is

needed to deviate from the City's current codified purchasing requirements. This would allow staff to present City Council with vehicle options that may cost more in order to reduce greenhouse gas emissions. It is important to note that the operational cost in fueling and maintaining electric vehicles is less than a fossil fuel (gasoline) vehicle. Staff would continue to find lowest cost zero-emission vehicles available for purchase. Vehicle acquisitions generally exceed the city manager's authority and would still require City Council approval before purchasing.

It should be also noted; a local state of emergency was declared March 11 in response to the COVID-19 pandemic. This local state of emergency's future impact on city operations, including the fleet program are currently unknown.

Analysis

Review of vehicle replacement assessment procedure (Recommendation No.1 of grand jury report)

In 2019 and before the grand jury report, sustainability staff began working with public works to evaluate vehicle purchase processes to determine how to support the adoption of zero-emission vehicles. As part of the analysis, internal processes were assessed and compared to green fleet best practices of other local jurisdictions such as San Francisco, Alameda County and Sacramento.

Staff determined the purchase evaluation process aligned with current green fleet best practice and could be further enhanced by establishing a formal policy. In general, the City pursues zero-emissions vehicles whenever possible. For example, after performing the fiscal year 2019-2020 assessment of all vehicles and equipment, staff identified eight vehicles as candidates for replacement. Of these vehicles, four replacements will be deferred until zero-emission models are available, and one will be retired without replacement.

Vehicle replacements are currently being deferred when zero-emission vehicle options have near market availability of three years or less. Not replacing (retiring) vehicles when no longer needed is another way to not only reduce costs, but overall emissions produced by the fleet. These practices are preferable to the purchase of replacement conventional internal combustion (gasoline) engine vehicles. Attachment D includes a summary of this assessment.

Each year staff evaluates the vehicle fleet to identify candidates for replacement. Given current fueling infrastructure, potential replacement vehicles included: conventional gasoline (internal combustion engine), hybrid and electric vehicle options. Staff has been evaluating vehicle options based on performance, maintenance needs, market availability, cost, current access to charging infrastructure, greenhouse gas reductions and other environmental benefits. As a result of current practice, approximately 6 percent of the fleet are electric vehicles. The makeup of the City's 109 vehicle fleet is summarized in Table 1 below.

Table 1: Menlo Park's 109 vehicles by type			
Vehicle category	Internal combustion engine (fossil fuel) vehicles	Hybrid-electric vehicle	Plug-in or battery electric vehicle
Light-duty passenger vehicles, motorcycle and parking enforcement	7 percent	1 percent	6 percent
Light-duty trucks and cargo van	26 percent		
Police patrol vehicles	23 percent	12 percent	
Medium and heavy-duty truck	25 percent		

Analysis of the obstacles to the implementation of a zero-emission vehicle policy (Recommendation No.2 of grand jury report)

There are four major barriers to implementation of zero-emission vehicles:

1. Market availability
2. Performance and safety needs
3. City's purchasing procedures
4. Lack of electric vehicle charging infrastructure (stations)

Market availability and performance/safety needs

For zero-emission vehicles, market availability and performance/safety are highly important considerations as the fleet transitions over the next 10 years. Menlo Park performs specialized services that require a specialized fleet. For example, police patrol vehicles must be pursuit-rated, and utility trucks must meet weight/towing requirements to facilitate specialized equipment. Table 2 is a summary of Menlo Park's current fleet by category and market availability of electric vehicles (EV.)

Table 2: Menlo Park's 109 vehicles and market availability				
Vehicle category	% of fleet vehicles (total 109 vehicles)	EV market ready	EV market available in less than three years	EV market available in more than three years
Light-duty passenger vehicles, motorcycle and parking enforcement	14%	X		
Light-duty trucks and cargo van	26%		X	
Police patrol vehicles	35%			X
Medium and heavy-duty truck	25%			X

As noted above, the zero-emission vehicle market is changing quickly, showing that approximately 40 percent of city's fleet will have electric vehicles options available in the next three years. Considering industry leaders like Ford have committed to releasing 13 all-electric vehicles by 2023 and continue to expand their offerings (e.g., all-electric transit/cargo van will be available for model year 2022,) more of the vehicle fleet is predicted to be represented in the next 10 years.

City's purchasing procedures

Zero-emissions vehicle options often have a higher purchase price than comparable internal combustion engine (gasoline) options. This is quickly changing; nonetheless, it conflicts with current City code that requires all city purchases be at the lowest cost commensurate with required quality (Menlo Park Municipal Code 2.42.010.) This is often interpreted as lowest economic cost at time of purchase and does not capture environmental and life cycle costs, such as increased greenhouse gas emissions during a climate emergency. While the city code interpretation can include zero emissions under required quality, this is subjective and differs from past purchasing practices and direction. Clearer policy direction by the City Council is needed.

In addition, performing a life cycle and environmental cost comparison for each vehicle purchase can be time consuming, creating resource inefficiencies in order to achieve the desired outcome. Fleet purchasing staff are highly knowledgeable in what types of zero-emission vehicles are readily available, how these vehicles perform, and whether they can meet the City's specialized service needs. However, staffing levels do not currently allow the time to prepare performing comprehensive environmental life cycle analysis on each vehicle.

Adopting the attached sustainable vehicle fleet policy would clarify quality standards under current city purchasing code requirements and remove the barrier of additional analyses for zero-emission vehicles with the understanding that given the current climate emergency, greenhouse gas emission reduction is a greater priority. In addition, it would continue to send a strong message to automakers to produce zero-emission vehicles rapidly.

Lack of electric vehicle charging infrastructure (stations)

The greatest barrier to zero-emission vehicle adoption is available charging or refueling infrastructure. Given current market trends and to take advantage of Menlo Park's renewably sourced, greenhouse gas free electricity, the expansion of electric vehicle charging infrastructure will need to be prioritized.

The City's currently has five charging stations at City Hall designated for city vehicle use. Given current best management practices, the City's current infrastructure can support 14 vehicles, approximately 12 percent of vehicle fleet. Considering approximately 40 percent of the current fleet will have zero-emission options available in the next three years and to support the all-electric vehicle fleet transition for the next 10 years, staff estimates the following infrastructure is needed:

City Hall Campus:

- Three modular DC fast charging systems
 - (1) for exclusive police department use
- Nine level 2 chargers for exclusive police department use

Public Works Corporation Yard

- One modular DC fast charging system

Additional charging, especially modular DC fast charging systems, will increase the electricity used at these sites and it is unknown if it can be accommodated with current electric panel capacity. To assess this issue, an electrical load monitoring study is currently underway to explore the expanding the charging infrastructure at City Hall. This study does not include the corporation yard or Belle Haven sites, which may need further electrical analysis in the future.

Development of sustainable vehicle fleet policy and zero-emission vehicle target overview

Menlo Park would not be the first city to adopt a sustainable vehicle fleet policy. Other climate leaders such

as San Francisco and Sacramento have adopted green fleet policies. These fleet policies outline vehicle evaluation processes, prioritize zero-emissions purchase (ZEV first policy,) and outline goals to spur zero-emission fleet transition. Similarly, the overall goal of the attached sustainable vehicle fleet policy is to have a minimum 50 percent vehicles purchased be zero-emission by 2025 and 75 percent by 2030.

The policy would institutionalize and provide clarity and efficiency for staff's current practice in evaluating vehicle purchases. It would require staff to pursue zero-emission vehicle options that meet city performance needs given market availability and available infrastructure, even if comparable internal combustion engine cars have a lower purchase price.

If a zero-emission vehicle option does not exist in the current market, does not meet performance needs or is untested in the mainstream market, or there is no available charging or refueling infrastructure within six months of purchase, the evaluation hierarchy for purchasing vehicles would be:

1. Defer purchasing a vehicle if a zero-emission vehicle option will be available and/or electric vehicle infrastructure will be installed in less than three years.
2. Lease or purchase plug-in electric hybrid vehicles
3. Lease or purchase hybrid-electric fuel vehicles
4. Lease or purchase internal combustion engine (fossil fuel, flex-fuel or bi-fuel, ethanol, renewable diesel, etc.) vehicle

This purchasing hierarchy is in place so that the City Council and community can be confident proposed vehicle purchases are the lowest emissions option available.

The option of leasing low emission (plug-in electric hybrid and hybrid-electric) or internal combustion engine (fossil fuel) vehicles will allow for the zero-emission vehicle market availability and/or city charging/refueling infrastructure to expand. This way the City can continue providing its services without investing in greenhouse gas emitting assets over the long term. Leasing will require more staff time to manage and coordinate between the leasing agency and city department divisions (e.g., city attorney, public works, police, etc.)

The proposed policy also commits to the expansion of electric vehicle chargers and has a provision for annual replacement assessment/budget estimates to include cost of necessary charging/refueling infrastructure.

Impact on City Resources

The initial capital cost of the zero-emissions vehicle, equipment, and infrastructure is expected to be higher than comparable internal combustion or hybrid vehicles. However, once the City has purchased the vehicles and installed charging infrastructure, the total cost of ownership is anticipated to be less than or equal to internal combustion engine or hybrid vehicles. There will also likely be an increase to staff time to manage vehicle leases and electric charging stations (rotate vehicles) for the next several years.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Resolution No. 6552
- B. Draft sustainable vehicle fleet policy
- C. Hyperlink – Staff report: Approve response to San Mateo County grand jury’s report regarding “Electric Vehicle Adoption in the Cities and county of San Mateo” to grand jury report:
menlopark.org/DocumentCenter/View/23294/E3-20191105-GJR-electric-vehicle-CC
- D. Vehicle candidates for replacement fund year 2019-2020

Report prepared by:
Candise Almendral, Sustainability Contractor

Report reviewed by:
Rebecca L. Lucky, Sustainability Manager
Dan Jacobson, Finance Manager
Cara Silver, Interim City Attorney
Nikki Nagaya, Interim Public Works Director

RESOLUTION NO. 6552

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO ADOPTING SUSTAINABLE VEHICLE FLEET POLICY NO. CC-20-011 TO REDUCE GREENHOUSE GAS EMISSIONS BY INCREASING THE NUMBER OF ZERO-EMISSION FLEET VEHICLES

WHEREAS, on December 10, 2019 the City Council of the City of Menlo Park adopted Resolution No. 6535 declaring a climate emergency to accelerate its actions to address climate change and reduce greenhouse gas (GHG) emissions;

WHEREAS, internal combustion engine (fossil fuel) vehicles are large source of GHG emissions;

WHEREAS, the City currently manages a fleet of vehicles to provide specialized services to the community which are primarily internal combustion engine (fossil fuel gasoline) vehicles; and,

WHEREAS, recent advancements in technology, such as increased travel range, regenerative braking, and more spacious interior compartments have expanded the capabilities of zero-emissions vehicles so that more City work applications can be met with these vehicles; and,

WHEREAS, this policy defines policies and procedures for the acquisition and management of vehicles in the municipal fleet.

NOW, THEREFORE, IT IS RESOLVED, the City Council of the City of Menlo Park hereby adopts the City of Menlo Park sustainable vehicle fleet policy No. CC-20-011 recommended by staff and presented to the City Council on the twenty sixth day of March, 2020, incorporated herein as Exhibit A.

I, Judi Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-sixth day of March, 2020, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this twenty-sixth day of March, 2020

Judi A. Herren, City Clerk

SUSTAINABLE VEHICLE FLEET POLICY

City Council Procedure #CC-20-011

Effective 3/26/2020

Resolution No. 6552



<p>Purpose</p>
<p>To accelerate greenhouse gas emissions reduction due to the climate emergency and improve San Francisco Bay Area air quality, through the increased adoption of zero-emission vehicles in municipal fleet.</p>
<p>Authority</p>
<p>This policy will set forth the acquisition process for municipal fleet vehicles and outline practices to reduce greenhouse gas emissions related fleet operation.</p>
<p>Background</p>
<p>In December 2019, City Council signed Resolution No. 6335 declaring a climate emergency which demands accelerated actions to address climate change. Menlo Park's Climate Action Plan describes strategies and goals to urgently respond to this climate emergency, such as the acquisition of sustainable products over conventional products. Sustainable products have environmental benefits, such as greenhouse gas emission or waste reduction which do not easily translate to an economic value.</p> <p>The City recognizes internal combustion engine (fossil fuel) vehicles are large source of greenhouse gas emissions. The City currently manages a fleet of vehicles to provide specialized services to the community which are primarily internal combustion engine (fossil fuel gasoline) vehicles. However, recent advancements in zero-emission vehicles (ZEV), such as increased market availability, travel range, regenerative braking, and more spacious compartments have expanded the capabilities of ZEVs so that more City work applications can be met with these vehicles. The zero-emission vehicle market is not as large as the internal combustion engine vehicle market, but it is growing rapidly. The ZEV market is predicted to offer products that meet 40% of current fleet needs by 2025.</p>
<p>Policies and procedures</p>
<p>The City of Menlo Park is committed to improving the San Francisco Bay Area's air quality and reducing greenhouse gas emissions by instating the following practices:</p> <p>A. Reducing vehicle fleet tailpipe emissions through:</p> <ol style="list-style-type: none"> 1) Establishing a "ZEV First" commitment for fleet vehicles that emit no tailpipe emissions from the onboard source of power. 2) Purchasing zero-emission vehicles (ZEV) as a first option priority for the municipal fleet even if comparable fossil fuel vehicles cost less to purchase. 3) Committing to a minimum of 50% of ZEVs for total vehicle purchases by 2025 and 75% by 2030. 4) Actively seeking vehicle fleet grants to purchase ZEVs. 5) Increasing the installation of electric vehicle charging infrastructure to support the annual purchase of ZEV. 6) Commit to test, evaluate, and, where feasible, acquire ZEVs for medium- and heavy-duty vehicle categories. <p>B. Implement the "ZEV First" commitment using the following process and procedure:</p> <ol style="list-style-type: none"> 1) ZEV purchases shall be prioritized over comparable vehicles powered by internal combustion engines utilizing fossil fuels, flex-fuel, or bi-fuel vehicles powered by petroleum-based fuels (gasoline) and other alternative fuels, such as ethanol or renewable diesel. 2) Exemptions to purchasing a ZEV include:

SUSTAINABLE FLEET

City Council Policy #CC-20-011
Effective 3/24/2020

2

- i. No viable ZEV option is available in the current vehicle market; OR
 - ii. The ZEV does not meet performance needs to provide services, including but not limited to, public safety, vehicle capabilities, and emergency response functions; OR
 - iii. No Fueling infrastructure is available or planned to be completed within six months of vehicle purchase.
- 3) If an exemption to a ZEV purchase is pursued, the following priority structure will be used in considering a replacement vehicle:
- i. Defer purchasing a vehicle if a ZEV market option will be available and/or infrastructure will be installed in less than three years.
 - ii. Lease plug-in electric hybrid vehicles if available in the market, or the less preferable option is to purchase.
 - iii. Lease hybrid-electric fuel vehicles if available in the market, or the less preferable option is to purchase.
 - iv. Lease an internal combustion engine (fossil fuel, flex-fuel or bi-fuel, ethanol, renewable diesel, etc.) vehicle, or the less preferable option is to purchase.
- C. Fuel Consumption
- 1) Reduce fossil fuel (gasoline and diesel) consumption 5% annually, and review at year end to take into account potential growth in fleet size.
 - 2) Reduce miles driven annually by fleet vehicles through route optimization, utilizing GPS devices or route optimization specific software.
- D. Vehicle Operations
- 1) Promote reduced idling, trip reduction, routing efficiency, and use of city bicycle fleet and public transportation to City departments.
 - 2) Reduce fleet size by removing under-utilized vehicles, reviewing annually, from the fleet or through reassignment in place of additional units.
- E. Cost Effectiveness and Performance
- 1) Seek grants, rebates, and other financial incentives and funding opportunities to use in purchasing ZEVs and/or implementing electric charging or refueling infrastructure.
 - 2) Identify opportunities and the financial resources needed to replace older fleet equipment with zero-emission equipment.
- F. Monitoring and Reporting
- 1) Each fiscal year through the annual budgeting process, staff shall:
 - i. Prepare an annual replacement assessment which will include budget estimates for zero-emission vehicles replacement, including the cost of necessary electric charging or refueling infrastructure;
 - ii. Report any other actions taken to support or enhance the City's Sustainable Fleet Policy.
 - 2) Enhance Fleet Management systems and implement new technology with emphasis on reducing fossil fuel (gasoline and diesel) consumption and reviewing the City fleet annually to ensure each vehicle replacement purchase is necessary.

Legislative history		
Action	Date	Notes
Adoption by City Council motion		

DRAFT

Vehicle candidates for replacement FY 19-20 ¹				
Description	Model	Status	Zero and low emission options	Recommended Replacement
Public Works water valve exerciser truck	2008 Ford F-450	High usage, specialized vehicle at the end of its useful life.	Battery electric: Freightliner is currently piloting a small fleet in North America with an emphasis on trucking/delivery; no release information is available. Hybrid: No options available.	2020 Ford F-550
Public Works woodchipper truck	1998 GMC C6500	High usage, specialized vehicle at the end of its useful life.	Battery electric: Freightliner is currently piloting a small fleet in North America with an emphasis on trucking/delivery; no release information is available. Hybrid: No options available.	2020 M2 Business Freightliner
Public Works aerial (tree) truck	2002 GMC C7500	High usage, specialized vehicle at the end of its useful life.	Battery electric: No options are available. Hybrid: Altec Industries Hybrid Aerial Truck	2020 Altec Industries Hybrid Aerial Truck
Public Works custodial van	1995 Ford E-150	Recurrent maintenance issues due to age and availability of obsolete parts.	Battery electric: Ford Transit Electric are set to be released in model year 2022. Hybrid: Ford Transit Plug-In hybrid were release in Europe in 2019, no US release date information is available.	None. This vehicle will be retired.
Community service cargo van	1995 Ford E-150	Maintenance concerns due to recurrent issues with Public Works custodial van and availability of obsolete parts.	Battery electric: Ford Transit Electric are set to be released in model year 2022. Hybrid: Ford Transit Plug-In hybrid were release in Europe in 2019, no US release date information is available.	Deferred to allow for battery electric option to become available.
Public Works supervisor truck	2006 Ford F-150	High usage vehicle near the end of its estimated useful life.	Battery electric: Ford plans to release a fully electric truck by 2023. Hybrid: Ford plans to release hybrid truck late 2020.	Deferred to allow for battery electric option to become available.
Public Works supervisor truck	2006 Ford Ranger	High usage vehicle near the end of its estimated useful life.	Battery electric: Ford plans to release a fully electric truck by 2023. Hybrid: Ford plans to release hybrid truck late 2020.	Deferred to allow for battery electric option available to become available.
Light-duty pool vehicle	2009 Smart Coupe	Over 10-years old, however mileage is still low and serviceable.	Battery electric: Numerous fully electric options are available in the light-duty, passenger vehicle market. Hybrid: Numerous hybrid options are available in the light-duty, passenger vehicle market.	Deferred. This vehicle is underutilized, replacement of higher utilization vehicles has been prioritized.

¹ Current as of January-February 2020; specific purchase recommendations will be evaluated considering COVID-19 pandemic.

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STAFF REPORT

City Council

Meeting Date: 3/26/2020

Staff Report Number: 20-064-CC

Consent Calendar: Approval of amended and restated joint powers agreement for the San Francisquito Creek Joint Powers Authority

Recommendation

Staff recommends that the City Council approve the amended and restated joint powers agreement for the San Francisquito Creek Joint Powers Authority (Attachment A.)

Policy Issues

The City of Menlo Park has been a member of the San Francisquito Creek Joint Powers Authority (JPA) since its creation in 1999. The updated agreement makes minor procedural amendments to the JPA agreement to reflect the recent name change of the San Mateo County Flood Control District to the San Mateo County Flood and Sea Level Rise Resiliency District and to reflect current administrative practices of the JPA.

Background

In 1998, the San Francisquito Creek flooded and damaged approximately 1,700 properties. In 1999, the City of Menlo Park, the City of Palo Alto, the City of East Palo Alto, the Santa Clara Valley Water District and the San Mateo Flood Control District established the JPA. The purpose of the JPA was to collectively contribute resources and implement policies and projects of mutual interest relating to the San Francisquito Creek. The JPA has lead or is leading five major capital projects: San Francisco Bay to Highway 101, Caltrans Highway 101 replacement project, upstream of Highway 101 and the U.S. Army Corps of Engineers Feasibility study, and the Strategy to Advance Flood protection, Ecosystems and Recreation along the Bay (SAFER Bay project) to address sea level rise.

On January 1, the San Mateo County Flood Control District changed its name to the San Mateo County Flood and Sea Level Rise Resiliency District (FSLR.) This name change necessitated an update to the JPA agreement. In addition to the name change, the JPA board of directors recommended other updates to the agreement. Many of these updates involved minor language changes to reflect current practices of the JPA or updates to State law related to JPAs. Other updates involved larger policy issues relative to expanding the JPA's enumerated purposes and powers. At the City manager/executive director meeting, staff discussed dividing the amendment process into two phases. The first phase would address the administrative amendments and the second phase would address the more substantive policy oriented updates. The reason for this is the substantive amendments needed more time for discussion amongst the member entities.

Analysis

An attorney working group consisting of attorneys from the five member entities reviewed updates to the

JPA Agreement. The attorney group agreed to a series of administrative amendments that could be adopted before the more substantive policy oriented updates. The administrative amendments encompassed in this first phase are shown in track changes on Attachment B and include clarifications and modifications regarding the San Mateo County Flood Control District's name change; who can serve as a JPA Board member timing of Board elections; maintenance of both operating and capital budgets; designation of fiscal year; updated insurance and bonding provisions; expanded options for audits and other financial controls; modification to JPA expulsion and termination voting provisions; JPA agreement amendment process and inclusion of a standard "no third party beneficiaries" provision (which prevents non-parties from asserting rights under the contract.)

Impact on City Resources

The implementation of these procedural amendments will not have an impact on resources. However, conducting a second round of substantive amendments to the JPA agreement is anticipated to take modest one-time additional staff resources and city attorney time.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Amended and restated joint powers agreement for the San Francisquito Creek Joint Powers Authority
- B. Redlined version showing changes made to existing joint powers agreement

Report prepared by:
Cara Silver, Interim City Attorney

JOINT POWERS AGREEMENT
FOR THE
SAN FRANCISQUITO CREEK
JOINT POWERS AUTHORITY

AMENDED AND RESTATED
as of

January 1, 2020

JOINT POWERS AGREEMENT

TABLE OF CONTENTS

	<u>Page</u>
1. <u>CREATION OF THE SAN FRANCISQUITO CREEK JOINT POWERS AUTHORITY</u>	1
2. <u>PURPOSES</u>	2
3. <u>PARTIES TO AGREEMENT</u>	2
4. <u>TERM OF AGREEMENT</u>	2
5. <u>POWERS OF THE AUTHORITY</u>	2
6. <u>MEMBER ENTITY APPROVALS AND RESPONSIBILITIES</u>	3
7. <u>PROJECT PARTICIPATION APPROVAL AUTHORITY</u>	3
8. <u>MEMBERSHIP</u>	3
9. <u>BOARD OF DIRECTORS</u>	3
10. <u>BOARD MEMBERS</u>	4
11. <u>OFFICERS</u>	5
12. <u>FISCAL YEAR</u>	5
13. <u>BUDGET</u>	5
14. <u>ANNUAL AUDIT AND AUDIT REPORTS</u>	5
15. <u>ESTABLISHMENT AND ADMINISTRATION OF FUNDS</u>	5
16. <u>WITHDRAWAL</u>	6
17. <u>EXPULSION</u>	6
18. <u>TERMINATION AND DISTRIBUTION</u>	6
19. <u>NOTICES</u>	7
20. <u>PROHIBITION AGAINST ASSIGNMENT</u>	7
21. <u>AMENDMENTS</u>	7

22.	<u>SEVERABILITY</u>	7
23.	<u>LIABILITY OF THE AUTHORITY; RELEASE AND INDEMNITY</u>	7
24.	<u>GOVERNING LAW</u>	7
25.	<u>COUNTERPART</u>	8
26.	<u>AGREEMENT COMPLETE</u>	8
27.	<u>NO THIRD-PARTY BENEFICIARIES</u>	8

SAN FRANCISQUITO CREEK
JOINT POWERS AGREEMENT

This Amended and Restated Agreement (“Agreement”) is made by and among the City of Menlo Park, the City of Palo Alto, the City of East Palo Alto, the Santa Clara Valley Water District, and the San Mateo County Flood and Sea Level Rise Resiliency District (“Member Entities”), all of which are public entities organized and operating under the laws of the State of California and each of which is a public agency as defined in California Government Code section 6500.

RECITALS

A. The Joint Exercise of Powers Act, being Government Code sections 6500 et seq. (the “JPA Law”), permits two or more local public entities by agreement to jointly exercise any power common to them.

B. Following years of effort to address environmental and flooding concerns related to the watershed and floodplain of San Francisquito Creek (encompassing approximately 50 square miles from the Santa Cruz Mountains to San Francisco Bay), and soon after the flood of record in 1998 damaged approximately 1,700 properties, the Member Entities established the San Francisquito Creek Joint Powers Authority pursuant to that certain “Joint Exercise Agreement Creating the San Francisquito Creek Joint Powers Authority,” dated as of May 18, 1999, to collectively contribute resources and implement policies and projects of mutual interest relating to the primary natural features that unite them, including the San Francisquito Creek (“Creek”).

C. The governing body of each Member Entity has determined that it is in the Member Entity’s best interest and in the public interest that this Amended and Restated Agreement be executed to make minor procedural updates, including the change on January 1, 2020 of the San Mateo County Flood Control District to the San Mateo County Flood and Sea Level Rise Resiliency District.

NOW, THEREFORE, the Member Entities, by, between and among themselves, in consideration of the mutual benefits, promises, and agreements set forth below, hereby agree as follows:

1. CREATION OF THE SAN FRANCISQUITO CREEK JOINT POWERS AUTHORITY. Pursuant to the JPA Law, the Member Entities create a public agency, separate and apart from the Member Entities to be known as the San Francisquito Creek Joint Powers Authority (the “Authority”). Pursuant to Government Code section 6508.1, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any party to this Agreement. A Member Entity may separately contract for or assume responsibility for specific debts, liabilities, or obligations of the Authority. For purposes of, and to the extent required by, Government Code section 6509, in exercising its powers, the Authority shall be

subject to the restrictions upon the manner of exercising the powers of the City of Menlo Park, except as otherwise authorized or permitted by the JPA Law.

2. PURPOSES. This Agreement is entered into by Member Entities under the JPA Law for the following purposes:

- a. To facilitate and perform bank stabilization, channel clearing and other Creek maintenance.
- b. To plan flood control measures for the San Francisquito Creek watershed.
- c. To take actions necessary to preserve and enhance environmental values and instream uses of San Francisquito Creek.
- d. To coordinate emergency mitigation and response activities relating to San Francisquito Creek.
- e. To make recommendations to Member Entities for funding and alternatives for long term flood control for Member Entity consideration.

3. PARTIES TO AGREEMENT. Each Member Entity certifies that it intends to and does contract with every other Member Entity which is a signatory to this Agreement. Each Member Entity also certifies that the deletion of any Member Entity from this Agreement does not affect this Agreement nor each Member Entity's intent to contract with the Member Entities then remaining. Pursuant to Assembly Bill 825 (Chapter 292, Statutes of 2019), which amended the San Mateo County Flood Control District Act to provide for the San Mateo County Flood and Sea Level Rise Resiliency District, the Member Entities agree that the San Mateo County Flood and Sea Level Rise Resiliency District is the entity formerly known as the San Mateo County Flood Control District, and as such is subject to the terms and conditions of this Agreement.

4. TERM OF AGREEMENT. This Agreement became effective as of May 18, 1999, and continues in full force until terminated in accordance with Paragraph 18 (Termination and Distribution).

5. POWERS OF THE AUTHORITY. The Authority through its Board of Directors is authorized, in its own name and subject to the limitations set forth below, to do all acts necessary to fulfill the purposes of this Agreement referred to in Paragraph 2 (Purposes) including, but not limited to, each of the following:

- a. Make and enter into contracts;
- b. Incur debts, liabilities, and obligations, provided that no debt, liability, or obligation of the Authority shall be a debt, liability, or obligation of a Member Entity except as separately agreed to by a Member Entity;
- c. Receive contributions and donations of property, funds, services, and other forms of assistance from any source;

- d. Sue and be sued in its own name;
- e. Contract with independent consultants and/or contractors;
- f. Receive, collect, and disburse monies;
- g. Carry out other duties as required to accomplish other responsibilities as set forth in this Agreement;
- h. Assign, delegate, or contract with a Member Entity or third party to perform any of the duties of the Board including, but not limited to, acting as administrator for the Authority; and
- i. Exercise all other powers necessary and proper to carry out the provisions of this Agreement.

These powers shall be exercised in the manner provided by applicable law and as expressly set forth in this Agreement.

6. MEMBER ENTITY APPROVALS AND RESPONSIBILITIES. Each Member Entity has the approval authority, obligations and responsibilities set forth in this Agreement. No action of the Authority shall be effective or binding unless and until such action has been approved in accordance with Subparagraph “e” (Action of the Board) of Paragraph 10 (Board Members) by the Board of Directors consistent with a budget approved by independent action of each Member Entity’s governing body.

7. PROJECT PARTICIPATION APPROVAL AUTHORITY. Member Entities shall have the right to determine independently whether to participate in any capital improvement project. No capital improvement project shall be approved by the Authority unless and until Member Entities sufficient to fund the project fully have approved the project by independent action of each such funding Member Entity’s governing body.

8. MEMBERSHIP. New Member Entities may be added to the Authority by amending this Agreement, as described in Paragraph 21 (Amendments); and Member Entities may withdraw or be expelled, as described in Paragraph 16 (Withdrawal) and Paragraph 17 (Expulsion).

9. BOARD OF DIRECTORS.

a. Directors. There shall be a Board of Directors (the “Board”) to govern the affairs of the Authority. The Board shall be comprised of one director, and one alternate director, from each Member Entity. Each director has one vote. An alternate director may cast a vote as a member of the Board of Directors only in the absence of the director from that same Member Entity. Each director and alternate director shall be a member of the governing body of the Member Entity and shall be designated by its governing body; provided, however, that no two directors and no two alternate directors shall be from the same governing body of any Member Entity.

b. Compensation. Directors and alternate directors are not entitled to compensation by the Authority. The Board may authorize reimbursement of expenses incurred by directors or alternate directors.

c. Powers. The powers of the Board are each of the powers of the Authority not specifically reserved to the Member Entities by this Agreement. The Member Entities retain the following powers:

(1) The designation of the Board as specified in Subparagraph “a” of Paragraph 9 (Board of Directors);

(2) Approval of an amendment to this Agreement as specified in Paragraph 21 (Amendments);

(3) Approval of actions pursuant to Paragraph 6 (Member Entity Approvals and Responsibilities);

(4) Approval of project participation as specified in paragraph 7 (Project Participation Approval Authority); and

(5) Approval of the annual budget of the Authority as specified in Paragraph 13 (Budget).

10. BOARD MEMBERS.

a. Meetings. The Board shall hold at least one regular meeting each year, at which time the Board shall elect its officers as appropriate to comply with Paragraph 11 (Officers). The Board shall fix the date, hour, and place at which each regular meeting is to be held. To the extent practicable, each Board meeting shall be held in Northern Santa Clara County or Southern San Mateo County. The Chair presides at all meetings. A special meeting may be called upon written request by the Chair or at least two directors.

b. Brown Act. Each regular, adjourned regular, or special meeting of the Board shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act (Sections 54950, et seq., of the Government Code).

c. Minutes. The Clerk of the Board shall draft minutes of each regular and special meeting of the Board, which shall be considered for approval by the Board at a subsequent regular meeting.

d. Quorum. No business may be transacted by the Board without a quorum of members of the Board being present except that less than a quorum may adjourn from time to time. A quorum consists of a majority of the members of the Board.

e. Action of Board. Except as otherwise specified in this Agreement, any action of the Board shall require a vote of a majority of the Board.

11. OFFICERS.

a. Officers. The officers of the Authority are the Chair, Vice-Chair, and Secretary.

b. Election/Term/Duties. The officers shall be elected or appointed by the Board at its first meeting of the calendar year, unless that is delayed by an action of the Board. The term of office for Chair, Vice-Chair, and Secretary is one year. The officers shall assume the duties of their offices upon being elected or appointed, as appropriate. If any of the Chair, Vice-Chair, or Secretary ceases to be a member of the Board, the Board shall elect or appoint a new officer at the next regular meeting of the Board held after the vacancy occurs.

c. Compensation. Officers are not entitled to compensation by the Authority. The Board may authorize reimbursement of expenses incurred by officers.

d. Appointment/Contract. The Board may appoint such officers and may hire or contract with such persons or firms as it considers necessary to carry out the purposes of this Agreement.

12. FISCAL YEAR. The first fiscal year of the Authority is July 1, 1999, through June 30, 2000. Each subsequent fiscal year of the Authority shall begin on July 1st and end on June 30th.

13. BUDGET. The Board shall adopt an annual operating budget, which shall be separate from the Authority's capital projects budget. The operating budget shall include the proposed contribution from each Member Entity for the fiscal year and other sources of income. The operating budget shall not be effective unless and until the governing body of each Member Entity has approved that Member Entity's contribution to the budget. Member Entity contributions shall become immediately due and payable to the Authority upon adoption of the budget, unless expressly provided otherwise in the budget.

14. ANNUAL AUDIT AND AUDIT REPORTS. The Board shall cause an annual financial audit to be made by an independent certified public accountant with respect to all Authority receipts, disbursements, other transactions, and entries into the books. A report of the financial audit shall be filed as a public record with each Member Entity. The audit shall be filed no later than as required by State law. The Authority shall pay the cost of the financial audit from its annual operating budget in the same manner as other administrative costs.

15. ESTABLISHMENT AND ADMINISTRATION OF FUNDS.

a. Accountability. The Authority is responsible for the strict accountability of all funds and reports of all receipts and disbursements. It shall comply with every provision of law relating to the establishment and administration of funds, particularly Section 6505 of the California Government Code. The funds shall be accounted for on a full accrual basis.

b. Investment/Disbursement. The Authority shall receive and disburse funds only in accordance with policies and procedures established by the Board and in conformity with applicable law.

c. Insurance/Bond. The Authority shall procure, carry and maintain, in full force and effect, at all times during the term of this Agreement, such insurance and bonds to protect the Authority and its members of the Board, officers, employees, agents and Member Entities, as deemed appropriate by the Board.

d. Depository and Auditor Controller. The Board shall designate one of its officers, employees or a third party to perform all acts required by Government Code Sections 6505 (regarding an annual audit), 6505.1 (regarding charge of and access to property), 6505.5 (regarding the depository and custodian of money), and 6505.6 (regarding independent audit where an officer or employee acts as treasurer, auditor or both), as such laws are amended from time to time.

16. WITHDRAWAL. Member Entities may withdraw from the Authority for subsequent fiscal years by providing written notice to the Authority and each Member Entity on or before May 1 of any fiscal year. Withdrawal shall be effective on July 1 of the next fiscal year. This shall be the exclusive means by which a Member Entity may withdraw from the Authority. Any Member Entity that withdraws shall remain liable for any budget contributions or capital improvement project participation approved before withdrawal. Any Member Entity that withdraws shall remain liable for any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage, or any other loss caused by or arising out of that party's performance or failure to perform the obligations assumed before the Member Entity withdraws from this Agreement. Any Member Entity that withdraws shall remain subject to the provisions of Paragraph 23 (Liability of the Authority; Release and Indemnity) with respect to any event or occurrence taking place before the Member Entity withdraws.

17. EXPULSION. The Authority may expel a Member Entity from the Authority by a four-fifths (4/5) vote of the Board for a breach of this Agreement determined by the Board to be a material breach. Any Member Entity that has been expelled pursuant to this paragraph shall have no further liability or obligation pursuant to this Agreement after the effective date of such expulsion; except such Member Entity shall remain liable for any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage, or any other loss caused by or arising out of that party's performance or failure to perform the obligations assumed before the Member Entity was expelled, including any budget contributions or capital improvement project participation approved before expulsion. Any Member Entity that has been expelled shall remain subject to the provisions of Paragraph 23 (Liability of the Authority; Release and Indemnity) with respect to any event or occurrence taking place before the Member Entity was expelled.

18. TERMINATION AND DISTRIBUTION.

a. Termination. This Agreement shall continue until terminated. This Agreement may be terminated by the written consent of four-fifths (4/5) of the Member Entities; provided, however, this Agreement and the Authority shall continue to exist after termination for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to conclude the obligation and affairs of the Authority.

b. Surplus. In the event that the Authority is terminated, any surplus money on deposit in any fund or account of the Authority shall be returned in proportion to the contributions made as required by Section 6512 of the California Government Code. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority, including for the disposition, division, or distribution of any property acquired as a result of the joint exercise of powers.

19. NOTICES. Notices to each Member Entity under this Agreement are sufficient if mailed to its respective address on file with the Authority.

20. PROHIBITION AGAINST ASSIGNMENT. No Member Entity may assign a right, claim, or interest it may have under this Agreement, and any such assignment shall be void. No creditor, assignee, or third-party beneficiary of a Member Entity has a right, claim, or title to any part, share, interest, fund, or asset of the Authority.

21. AMENDMENTS. This Agreement may be amended by approval by the governing body for each and every Member Entity. A proposed amendment must be submitted to each Member Entity at least thirty (30) days in advance of the date when the Member Entity considers it. An amendment is to be effective immediately unless otherwise designated.

22. SEVERABILITY. If a portion, term, condition, or provision of this Agreement is determined by a court to be illegal or in conflict with the law of the State of California, or is otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions is not affected.

23. LIABILITY OF THE AUTHORITY; RELEASE AND INDEMNITY. Funds of the Authority may be used to defend, indemnify, and hold harmless the Authority, any Member Entity, any member of the Board, and each officer, employee and agent of the Authority for their actions taken within the scope of their duties while acting on behalf of the Authority. The parties to this Agreement release each other and agree to hold each other harmless, as well as their officers and employees, for any loss or liability arising from their respective activities pursuant to this Agreement. Except as otherwise provided herein, each party agrees to indemnify, defend and hold harmless the other parties, their officers, agents, and employees from any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage, or any other loss caused by or arising out of that party's performance or failure to perform the obligations assumed under this Agreement. Each Member Entity agrees that legal counsel for any Member Entity may be designated by the Board to represent the Authority by performing legal services, including litigation, and that any potential conflict of interest arising from such representation shall be deemed waived by the Authority and Member Entity, unless an actual adverse relationship exists between the Member Entity and the Authority with respect to the particular matter. The designation of legal counsel from a Member Entity shall be with the approval of that Member Entity.

24. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

25. COUNTERPART. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one instrument.

26. AGREEMENT COMPLETE. The foregoing constitutes the full and complete Agreement of the Member Entities. There are no oral understandings or agreements not set forth in writing herein.

27. NO THIRD-PARTY BENEFICIARIES. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity, other than the parties hereto, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

DATED: _____, 2020

CITY OF MENLO PARK

By: _____
Cecilia Taylor, Mayor

ATTEST:

By: _____
Judi Herren, City Clerk

DATED: _____, 2020

CITY OF PALO ALTO

By: _____
Adrian Fine, Mayor

ATTEST:

By: _____
Beth Minor, City Clerk

DATED: _____, 2020

CITY OF EAST PALO ALTO

By: _____
Regina Wallace-Jones, Mayor

ATTEST:

By: _____
Walfred Solorzano, City Clerk

DATED: _____, 2020

SANTA CLARA VALLEY WATER DISTRICT

By: _____
Nai Hsueh, Chair

ATTEST:

By: _____
Michele L King, CMC, Board Clerk

DATED: _____, 2020

SAN MATEO COUNTY FLOOD AND SEA LEVEL RISE RESILIENCY DISTRICT

By: _____
Dave Pine, Chair

ATTEST:

By: _____
Christine Boland, Interim Board Clerk

JOINT POWERS AGREEMENT
~~CREATING~~FOR THE
SAN FRANCISQUITO CREEK
JOINT POWERS AUTHORITY

~~Dated~~
AMENDED AND RESTATED
as of

~~May 18, 1999~~
January 1, 2020

JOINT POWERS AGREEMENT

TABLE OF CONTENTS

	<u>Page</u>
1. <u>CREATION OF THE SAN FRANCISQUITO CREEK JOINT POWERS AUTHORITY</u>	1
2. <u>PURPOSES</u>	2
3. <u>DEFINITIONS</u>.....	2
<u>3. 4. <u>PARTIES TO AGREEMENT</u></u>	2
<u>4. 5. <u>TERM OF AGREEMENT</u>.....</u>	32
<u>5. 6. <u>POWERS OF THE AUTHORITY</u>.....</u>	32
<u>6. 7. <u>MEMBER ENTITY APPROVALS AND RESPONSIBILITIES</u>.....</u>	3
<u>7. 8. <u>PROJECT PARTICIPATION APPROVAL AUTHORITY</u></u>	3
<u>8. 9. <u>MEMBERSHIP</u>.....</u>	43
<u>9. 10. <u>BOARD OF DIRECTORS</u></u>	43
<u>10. 11. <u>BOARD MEMBERS</u></u>	54
<u>11. 12. <u>OFFICERS</u>.....</u>	5
<u>12. 13. <u>FISCAL YEAR</u>.....</u>	65
<u>13. 14. <u>BUDGET</u></u>	65
<u>14. 15. <u>ANNUAL AUDIT AND AUDIT REPORTS</u>.....</u>	65
<u>15. 16. <u>ESTABLISHMENT AND ADMINISTRATION OF FUNDS</u></u>	65
17. <u>ADMINISTRATIVE COST</u>.....	7
<u>16. 18. <u>WITHDRAWAL</u>.....</u>	76
<u>17. 19. <u>EXPULSION</u></u>	76
<u>18. 20. <u>TERMINATION AND DISTRIBUTION</u></u>	76
<u>19. 21. <u>NOTICES</u>.....</u>	87

<u>20.</u>	22. <u>PROHIBITION AGAINST ASSIGNMENT</u>	<u>87</u>
<u>21.</u>	23. <u>AMENDMENTS</u>	<u>87</u>
<u>22.</u>	24. <u>SEVERABILITY</u>	<u>87</u>
<u>23.</u>	25. <u>LIABILITY OF THE AUTHORITY; RELEASE AND INDEMNITY</u>	<u>87</u>
<u>24.</u>	26. <u>GOVERNING LAW</u>	<u>87</u>
<u>25.</u>	27. <u>COUNTERPART</u>	8
<u>26.</u>	28. <u>AGREEMENT COMPLETE</u>	<u>98</u>
<u>27.</u>	<u>NO THIRD-PARTY BENEFICIARIES</u>	<u>8</u>

SAN FRANCISQUITO CREEK
JOINT POWERS AGREEMENT

This Amended and Restated Agreement (“Agreement”) is made by and among the City of Menlo Park, the City of Palo Alto, the City of East Palo Alto, the Santa Clara Valley Water District, and the San Mateo County Flood Control and Sea Level Rise Resiliency District (“Member Entities”), all of which are public entities organized and operating under the laws of the State of California and each of which is a public agency as defined in California Government Code section 6500.

RECITALS

A. The Joint Exercise of Powers Act, being Government Code sections 6500-6515, permitting et seq. (the “JPA Law”), permits two or more local public entities by agreement to jointly exercise any power common to them, ~~authorizes the Member Entities to enter in this San Francisquito Creek Joint Powers Agreement (“Agreement”).~~

B. ~~Each Member Entity desires to join together with the other Member Entities for the primary purpose of managing the joint contribution of services and providing policy direction on issues of mutual concern relating to the San Francisquito Creek (“Creek”), including bank stabilization, channel clearing and other Creek maintenance, planning of flood control measures, preserving and enhancing environmental values and instream uses, and emergency response coordination. Following years of effort to address environmental and flooding concerns related to the watershed and floodplain of San Francisquito Creek (encompassing approximately 50 square miles from the Santa Cruz Mountains to San Francisco Bay), and soon after the flood of record in 1998 damaged approximately 1,700 properties, the Member Entities established the San Francisquito Creek Joint Powers Authority pursuant to that certain “Joint Exercise Agreement Creating the San Francisquito Creek Joint Powers Authority,” dated as of May 18, 1999, to collectively contribute resources and implement policies and projects of mutual interest relating to the primary natural features that unite them, including the San Francisquito Creek (“Creek”).~~

C. The governing ~~board~~body of each Member Entity has determined that it is in the Member Entity’s best interest and in the public interest that this Amended and Restated Agreement be executed ~~and that it is participating as a member of the public entity created by this Agreement. to make minor procedural updates, including the change on January 1, 2020 of the San Mateo County Flood Control District to the San Mateo County Flood and Sea Level Rise Resiliency District.~~

NOW, THEREFORE, the Member Entities, by, between and among themselves, in consideration of the mutual benefits, promises, and agreements set forth below, hereby agree as follows:

1. CREATION OF THE SAN FRANCISQUITO CREEK JOINT POWERS AUTHORITY. Pursuant to ~~Chapter 5, Division 7, Title 1 of the Government Code of the State of California (commencing with Section 6500) (as amended from time to time, the “JPA Law”)~~the

JPA Law, the Member Entities create a public agency, separate and apart from the Member Entities to be known as the San Francisquito Creek Joint Powers Authority (the “Authority”). Pursuant to Government Code section 6508.1, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any party to this Agreement. A Member Entity may separately contract for or assume responsibility for specific debts, liabilities, or obligations of the Authority. ~~The Authority shall require indemnification on behalf of itself and its members as determined by its Board of Directors from entities with which it enters into agreements.~~ For purposes of, and to the extent required by, Government Code section 6509, in exercising its powers, the Authority shall be subject to the restrictions upon the manner of exercising the powers of the ~~city or county Member Entity specified in this Agreement~~City of Menlo Park, except as otherwise authorized or permitted by the JPA Law.

2. PURPOSES. This Agreement is entered into by Member Entities under the JPA Law for the following purposes:

- a. To facilitate and perform bank stabilization, channel clearing and other Creek maintenance.
- b. To plan flood control measures for the San Francisquito Creek watershed.
- c. To take actions necessary to preserve and enhance environmental values and instream uses of San Francisquito Creek.
- d. To coordinate emergency mitigation and response activities relating to San Francisquito Creek.
- e. To make recommendations to Member Entities for funding and alternatives for long term flood control for Member Entity consideration.

3. DEFINITIONS. ~~In this Agreement unless the context otherwise requires:~~

- a. ~~“Administrative Cost” means the amount charged to each Member Entity by the Authority for the Authority’s general operating costs and expenses.~~
- b. ~~“Authority” means the San Francisquito Creek Joint Powers Authority.~~
- c. ~~“Board” or “Board of Directors” means and is the governing body of the Authority constituted as set forth in Paragraph 10 of this Agreement.~~
- d. ~~“JPA Law” means Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended from time to time.~~
- e. ~~“Member Entity” means and shall include each public agency (as defined in Section 6500 of the JPA law), which is a party to this Agreement.~~
- f. ~~“Creek” means and is the San Francisquito Creek.~~

4. PARTIES TO AGREEMENT. Each Member Entity certifies that it intends to and does contract with every other Member Entity which is a signatory to this Agreement. Each Member Entity also certifies that the

deletion of any Member Entity from this Agreement does not affect this Agreement nor each Member Entity's intent to contract with the Member Entities then remaining. Pursuant to Assembly Bill 825 (Chapter 292, Statutes of 2019), which amended the San Mateo County Flood Control District Act to provide for the San Mateo County Flood and Sea Level Rise Resiliency District, the Member Entities agree that the San Mateo County Flood and Sea Level Rise Resiliency District is the entity formerly known as the San Mateo County Flood Control District, and as such is subject to the terms and conditions of this Agreement.

5.4. TERM OF AGREEMENT. This Agreement became effective as of May 18, 1999, and continues in full force until terminated in accordance with Paragraph 20.18 (Termination and Distribution).

6.5. POWERS OF THE AUTHORITY. The Authority through its Board of Directors is authorized, in its own name and subject to the limitations set forth below, to do all acts necessary to fulfill the purposes of this Agreement referred to in Paragraph 2. (Purposes) including, but not limited to, each of the following:

- a. Make and enter into contracts;
- b. Incur debts, liabilities, and obligations, provided that no debt, liability, or obligation of the Authority shall be a debt, liability, or obligation of a Member Entity except as separately agreed to by a Member Entity;
- c. Receive contributions and donations of property, funds, services, and other forms of assistance from any source;
- d. Sue and be sued in its own name;
- e. Contract with independent consultants and/or contractors;
- f. Receive, collect, and disburse monies;
- g. Carry out other duties as required to accomplish other responsibilities as set forth in this Agreement;
- h. Assign, delegate, or contract with a Member Entity or third party to perform any of the duties of the Board including, but not limited to, acting as administrator for the Authority; and
- i. Exercise all other powers necessary and proper to carry out the provisions of this Agreement.

These powers shall be exercised in the manner provided by applicable law and as expressly set forth in this Agreement.

7.6. MEMBER ENTITY APPROVALS AND RESPONSIBILITIES. Each Member Entity has the approval authority, obligations and responsibilities set forth in this Agreement. No action of the Authority shall be effective or binding unless and until such action has been approved

in accordance with Subparagraph “e” (Action of the Board) of Paragraph 11-e10 (Board Members) by the ~~Authority~~ Board of Directors consistent with a budget approved by independent action of each Member Entity’s governing body.

~~8.7.~~ PROJECT PARTICIPATION APPROVAL AUTHORITY. Member Entities shall have the right to determine independently whether to participate in any capital improvement project. No capital improvement project shall be approved by the Authority unless and until Member Entities sufficient to fund the project fully have approved the project by independent action of each such funding Member Entity’s governing body.

~~9.~~ ~~MEMBERSHIP.~~ MEMBERSHIP. New Member Entities may be added to the Authority by amending this Agreement, as described in Paragraph 21 (Amendments); and Member Entities may withdraw or be expelled, as described in Paragraph 16 (Withdrawal) and Paragraph 17 (Expulsion).

~~a. — Voting Members. All Member Entities shall be Voting Members.~~

~~b. — Associate Membership.~~

~~(1) — Nonprofit corporations and academic and charitable organizations located or operating within the jurisdictional limits of a Member Entity shall be eligible to join the Authority as Associate Members, subject to the approval of the Board of Directors.~~

~~(2) — Associate Members shall be entitled to attend all meetings of the Board of Directors and participate in discussion of all items of business but shall not be entitled to vote or participate in formal debate of a motion on the floor. Further, no representative of an Associate Member may become an officer or director of the Authority.~~

~~(3) — For purposes of this Agreement, only Voting Members shall be referred to as “Member Entities.”~~

~~10.9.~~ BOARD OF DIRECTORS.

a. Directors. There shall be a Board of Directors (the “Board”) to govern the affairs of the Authority. The Board shall be comprised of one director, and one alternate director, from each Member Entity. Each director has one vote. An alternate director may cast a vote as a member of the Board of Directors only in the absence of the director from that same Member Entity. Each director and alternate director shall be a member of the governing body of the Member Entity. ~~Each director and~~ shall be designated by ~~the~~its governing ~~board of the respective Member Entity. The~~body; provided, however, that no two directors and no two alternate directors shall be ~~appointed by the Director designated by a Member Entity in the absence of designation of alternates by a~~from the same governing body of any Member Entity.

b. Compensation. Directors and alternate directors are not entitled to compensation from the Authority. The Board may authorize reimbursement of expenses incurred by directors or alternate directors.

c. Powers. The powers of the Board are each of the powers of the Authority not specifically reserved to the Member Entities by this Agreement. The Member Entities retain the following powers:

(1) The designation of the Board as specified in Subparagraph “a” of Paragraph 9 (Board of Directors ~~as specified in Paragraph 10)~~;

(2) Approval of an amendment to this Agreement as specified in Paragraph ~~23~~21 (Amendments);

(3) Approval of actions pursuant to Paragraph ~~7, above~~6 (Member Entity Approvals and Responsibilities);

(4) Approval of project participation as specified in paragraph ~~8~~7 (Project Participation Approval Authority); and

(5) Approval of the annual budget of the Authority as specified in Paragraph ~~14.~~13 (Budget).

~~11.~~10. BOARD MEMBERS.

a. Meetings. The Board shall hold at least one regular meeting each year, at which time the Board shall elect its officers as appropriate to comply with Paragraph ~~12.11~~ (Officers). The Board shall fix the date, hour, and place at which each regular meeting is to be held. To the extent practicable, each Board meeting shall be held in Northern Santa Clara County or Southern San Mateo County. The Chair presides at all meetings. A special meeting may be called upon written request by the Chair or at least ~~one-third of the Member Entities~~two directors.

b. Brown Act. Each regular, adjourned regular, or special meeting of the Board shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act (Sections 54950, et seq., of the Government Code).

c. Minutes. The ~~Secretary~~Clerk of the Board shall ~~keep or have kept~~draft minutes of each regular and special meeting of the Board. ~~As soon as possible after each meeting, the Secretary shall have a copy of those minutes forwarded to each member of the Board, which shall be considered for approval by the Board at a subsequent regular meeting.~~

d. Quorum. No business may be transacted by the Board without a quorum of members of the Board being present except that less than a quorum may adjourn from time to time. A quorum consists of a majority of the members of the Board.

e. Action of Board. ~~Any~~Except as otherwise specified in this Agreement, any action of the Board shall require a vote of a majority ~~of the voting members~~ of the Board.

~~12.~~11. OFFICERS.

a. Officers. The officers of the Authority are the Chair, Vice-Chair, and Secretary.

b. Election/Term/Duties. The officers shall be elected or appointed by the Board at its first meeting of the calendar year, unless that is delayed by an action of the Board. The term of office for Chair, Vice-Chair, and Secretary is one year. The officers shall assume the duties of their offices upon ~~formation of the Authority or~~ being elected or appointed, as appropriate. If ~~either any of~~ the Chair, Vice-Chair, or Secretary ceases to be a member of the Board, the ~~resulting vacancy~~ Board shall ~~be filled~~ elect or appoint a new officer at the next regular meeting of the Board held after the vacancy occurs.

c. Compensation. Officers are not entitled to compensation by the Authority. The Board may authorize reimbursement of expenses incurred by officers.

d. Appointment/Contract. The Board may appoint such officers and may hire or contract with such persons or firms as it considers necessary to carry out the purposes of this Agreement.

~~13.~~12. FISCAL YEAR. The first fiscal year of the Authority is July 1, 1999, through June 30, 2000. Each subsequent fiscal year of the Authority shall begin on July 1st and end on June 30th.

~~14.~~13. BUDGET. The Board shall adopt an annual operating budget, which shall ~~include each Member Entity's~~ be separate from the Authority's capital projects budget. The operating budget shall include the proposed contribution from each Member Entity for the fiscal year and other sources of income. The operating budget shall not be effective unless and until ~~it is approved by~~ the governing body of each Member Entity has approved that ~~has a~~ Member Entity's contribution to the budget. Member Entity contributions shall become immediately due and payable to the Authority upon adoption of the budget, unless expressly provided otherwise in the budget.

~~15.~~14. ANNUAL AUDIT AND AUDIT REPORTS. The Board shall cause an annual financial audit to be made by an independent certified public accountant with respect to all Authority receipts, disbursements, other transactions, and entries into the books. A report of the financial audit shall be filed as a public record with each Member Entity. The audit shall be filed no later than as required by State law. The Authority shall pay the cost of the financial audit ~~and charge the cost against the Member Entities~~ from its annual operating budget in the same manner as other administrative costs.

~~16.~~15. ESTABLISHMENT AND ADMINISTRATION OF FUNDS.

a. Accountability. The Authority is responsible for the strict accountability of all funds and reports of all receipts and disbursements. It shall comply with every provision of law relating to the establishment and administration of funds, particularly Section 6505 of the California Government Code. The funds shall be accounted for on a full accrual basis.

b. Investment/Disbursement. The Authority shall receive and disburse funds only in accordance with policies and procedures established by the Board and in conformity with applicable law.

c. Insurance/Bond. The Authority shall ~~require the Board to procure errors and omissions insurance or a fidelity bond~~ procure, carry and maintain, in full force and effect, at all times during the term of this Agreement, such insurance and bonds to protect the Authority and its members of the Board, officers, employees, agents and Member Entities, as deemed appropriate by the Board.

d. ~~Fiscal Agent.~~ ~~The Authority shall designate a fiscal agent who shall be responsible for the administration of all funds and accounts. The fiscal agent may be one of the Member Entities or an officer or employee of one of the Member Entities, subject to the approval of the selected Member Entity.~~ Depository and Auditor Controller. The Board shall designate one of its officers, employees or a third party to perform all acts required by Government Code Sections 6505 (regarding an annual audit), 6505.1 (regarding charge of and access to property), 6505.5 (regarding the depository and custodian of money), and 6505.6 (regarding independent audit where an officer or employee acts as treasurer, auditor or both), as such laws are amended from time to time.

~~17. — ADMINISTRATIVE COST. In connection with preparation of the Annual Budget pursuant to Paragraph 14, above, the Board may establish the Administrative Costs of the Authority, if any, for each fiscal year and shall propose a formula for allocating these Administrative Costs among Member Entities for each fiscal year, which shall be approved by the Member Entities as a part of the budget.~~

~~18.~~ 16. WITHDRAWAL. Member Entities may withdraw from the Authority for subsequent fiscal years by providing written notice to the Authority and each Member Entity on or before May 1 of any fiscal year. Withdrawal shall be effective on July 1 of the next fiscal year. This shall be the exclusive means by which a Member Entity may withdraw from the Authority. Any Member Entity that withdraws shall remain liable for any budget contributions or capital improvement project participation approved before withdrawal. Any Member Entity that withdraws shall remain liable for any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage, or any other loss caused by or arising out of that party's performance or failure to perform the obligations assumed before the Member Entity withdraws from this Agreement. Any Member Entity that withdraws shall remain subject to the provisions of Paragraph ~~25~~ 23 (Liability of the Authority; Release and Indemnity) with respect to any event or occurrence taking place before the Member Entity withdraws.

~~19.~~ 17. EXPULSION. The Authority may expel a Member Entity from the Authority by a ~~three-fourths (3/4)~~ four-fifths (4/5) vote of the Board ~~of Directors~~ for a breach of this Agreement determined by the Board to be a material breach. Any Member Entity that has been expelled pursuant to this paragraph shall have no further liability or obligation pursuant to this Agreement after the effective date of such expulsion; except such Member Entity shall remain liable for any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage, or any other loss caused by or arising out of that party's performance or failure to perform the obligations assumed before the Member Entity was expelled, including any budget

contributions or capital improvement project participation approved before expulsion. Any Member Entity that has been expelled shall remain subject to the provisions of Paragraph ~~25~~23 (Liability of the Authority; Release and Indemnity) with respect to any event or occurrence taking place before the Member Entity was expelled.

~~20~~18. TERMINATION AND DISTRIBUTION.

a. Termination. This Agreement shall continue until terminated. This Agreement may be terminated by the written consent of ~~two-thirds~~four-fifths (~~24~~35) of the Member Entities; provided, however, this Agreement and the Authority shall continue to exist after termination for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to conclude the obligation and affairs of the ~~authority~~Authority.

b. Surplus. ~~After completion of~~In the event that the Authority's ~~purposes is terminated~~, any surplus money on deposit in any fund or account of the Authority shall be returned in proportion to the contributions made as required by Section 6512 of the California Government Code. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority, including for the disposition, division, or distribution of any property acquired as a result of the joint exercise of powers.

~~21~~19. NOTICES. Notices to each Member Entity under this Agreement are sufficient if mailed to its respective address on file with the Authority.

~~22~~20. PROHIBITION AGAINST ASSIGNMENT. No Member Entity may assign a right, claim, or interest it may have under this Agreement, and any such assignment shall be void. No creditor, assignee, or third party beneficiary of a Member Entity has a right, claim, or title to any part, share, interest, fund, or asset of the Authority.

~~23~~21. AMENDMENTS. This Agreement may be amended by ~~a unanimous vote of the Member Entities of the Authority acting through their~~approval by the governing ~~bodies~~body for each and every Member Entity. A proposed amendment must be submitted to each Member Entity at least thirty (30) days in advance of the date when the Member Entity considers it. An amendment is to be effective immediately unless otherwise designated.

~~24~~22. SEVERABILITY. If a portion, term, condition, or provision of this Agreement is determined by a court to be illegal or in conflict with the law of the State of California, or is otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions is not affected.

~~25~~23. LIABILITY OF THE AUTHORITY; RELEASE AND INDEMNITY. Funds of the Authority may be used to defend, ~~indemnity~~indemnify, and hold harmless the Authority, any Member Entity, any member of the Board, and each officer, employee and agent of the Authority for their actions taken within the scope of their duties while acting on behalf of the Authority. The parties to this Agreement release each other and agree to hold each other harmless, as well as their officers and employees, for any loss or liability arising from their respective activities pursuant to this Agreement. Except as otherwise provided herein, each party agrees to indemnify, defend and hold harmless the other parties, their officers, agents, and employees from any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage, or

any other loss caused by or arising out of that party's performance or failure to perform the obligations assumed under this Agreement. Each Member Entity agrees that legal counsel for any Member Entity may be designated by the Board to represent the Authority by performing legal services, including litigation, and that any potential conflict of interest arising from such representation shall be deemed waived by the Authority and Member Entity, unless an actual adverse relationship exists between the Member Entity and the Authority with respect to the particular matter. The designation of legal counsel from a Member Entity shall be with the approval of that Member Entity.

~~26.24.~~ GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

~~27.25.~~ COUNTERPART. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one instrument.

~~28.26.~~ AGREEMENT COMPLETE. The foregoing constitutes the full and complete Agreement of the Member Entities. There are no oral understandings or agreements not set forth in writing herein.

27. NO THIRD-PARTY BENEFICIARIES. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity, other than the parties hereto, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

DATED: _____, ~~2004~~2020

CITY OF MENLO PARK

By: _____
Cecilia Taylor, Mayor

ATTEST:

By: _____
Judi Herren, City Clerk

DATED: _____, ~~2004~~2020

CITY OF PALO ALTO

By: _____
Adrian Fine, Mayor

ATTEST:

By: _____
[Beth Minor](#), City Clerk

DATED: _____, ~~2004~~2020

CITY OF EAST PALO ALTO

By: _____
Regina Wallace-Jones, Mayor

ATTEST:

By: _____
Walfred Solorzano, City Clerk

DATED: _____, ~~2004~~2020

SANTA CLARA VALLEY WATER DISTRICT

By: _____
~~(Signature)~~Nai Hsueh, Chair

~~(Print Title)~~

ATTEST:

By: _____
~~Secretary~~Michele L King, CMC, Board

Clerk

DATED: _____, ~~2004~~2020

SAN MATEO COUNTY FLOOD
~~CONTROL~~AND SEA LEVEL RISE
RESILIENCY DISTRICT

By: _____
~~Board~~Dave Pine, Chair


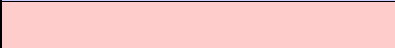
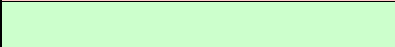
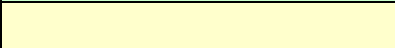

ATTEST:

By: _____
~~Secretary~~Christine Boland, Interim

Board Clerk

Document comparison by Workshare 9.5 on Wednesday, March 4, 2020 1:54:12 PM

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Deletion	
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Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Total changes	316

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STAFF REPORT

City Council

Meeting Date: 3/26/2020
Staff Report Number: 20-065-CC

Consent Calendar: Receive and accept the 2019 housing element annual progress report and the annual housing successor report

Recommendation

Staff recommends that the City Council receive and accept the 2019 housing element annual progress report (APR) and the annual housing successor report and authorize the transmittal to the California Governor's Office of Planning and Research and the California Department of Housing and Community Development.

Policy Issues

California Government Code Section 65400 requires the preparation and submittal of the annual progress report to the state Housing and Community Development Department (HCD) and Governor's Office of Planning and Research (OPR.) The annual progress report documents past housing-related activities and may identify the timing of upcoming activities, but does not authorize the implementation of programs or expenditure of funds.

Background

Every city and county in California is required to prepare an annual report on the status and progress of implementing the jurisdiction's housing element of the general plan using forms and definitions adopted by the HCD. This year's annual progress report forms were updated to incorporate new data requirements pursuant to Assembly Bill 1486, which requires each jurisdiction to report a list of sites owned by the jurisdiction that have been sold, leased, or otherwise disposed of in the prior year. The APR is due by April 1 each year for the calendar year immediately preceding the April 1 reporting deadline. Therefore, this year's report evaluates the status of the implementation programs and housing production for the period between January 1 and December 31, 2019.

On March 4, the Housing Commission approved a recommendation for City Council to accept the 2019 APR by a vote of 6-0-1 (Bigelow absent.) The Housing Commission discussed multiple areas of the APR during their review. Those items included, but are not limited to the following:

- Emphasizing the need for housing production throughout the City for all income levels;
- Availability of the City's notice of funding availability (NOFA) funds for housing production;
- Supporting housing development for extremely-low income households and those on the verge of homelessness;
- Preparing for potential housing uses at the U.S. Geological Survey site on Middlefield Road; and
- Concern regarding the need to increase moderate income unit productions, which is the lowest performing category of unit production.

On March 9, the Planning Commission approved a recommendation for City Council to accept the 2019 APR by a vote of 6-0-1 (Kahle absent.) The Planning Commission discussed various aspects of the APR during their review, which staff has summarized below:

- Identifying specific sites throughout the City that provide the potential for large scale housing development, including both City and privately owned property;
- Increasing the availability of for-sale housing units to allow increased ownership opportunities for all income levels;
- Assessing potential changes to single-family and multifamily zoning districts to allow greater density to meet future housing needs;
- Above-moderate unit production numbers are concerning compared to the production of other income levels; and
- Importance of increased housing development near transit and studying potential changes to the El Camino Real and Downtown specific plan.

Analysis

Attachment A includes the 2019 APR. The APR includes a status update of the housing element's implementation programs and an inventory of housing applications and production in the City for the 2019 calendar year. This staff report highlights several key accomplishments in 2019 and work items that will be continued in 2020 in more detail below. The APR is a document that reflects on the past year's efforts, and is not intended to establish work priorities for staff. Through the City Council's annual goal setting session, priorities are set for the upcoming year. The City Council initiated discussion on its work plan and project priorities at its January 30, 2020 special meeting.

Milestones

The following sections outline multiple activities and accomplishments the City of Menlo Park embarked on during the 2019 APR reporting period, reflected in Attachment A.

Tenant relocation assistance ordinance

On March 12, 2019, the City Council adopted an ordinance (No. 1053) adding a tenant relocation assistance requirement to the City's municipal code. The primary purpose for relocation assistance is to minimize disruption to tenants and their families by addressing financial impacts caused by a need for relocation. Securing replacement housing generally requires a significant amount of money for expenses related to a physical move, such as security deposit and moving personal belongings. An unanticipated move can be hard for any tenant; however, there is typically increased difficulties for extremely low, very low and low income households. The ordinance applies to lower income tenants at or below 80 percent (80 percent) of the area median income (AMI) at properties with five or more units and requires property owners to pay a minimum of three months' rent reimbursement to the tenant under certain circumstances. Additional information about the ordinance is available on the City's website, in Attachment C. Before City Council approval, an extensive public engagement effort was led by City staff with assistance from the Menlo Park Housing Commission. Multiple public meetings were held as well as a City Council study session to solicit community feedback for the potential ordinance. In addition to the ordinance, the City Council approved the creation of a tenant relocation assistance program that provides immediate funding to households experiencing financial hardships associated with relocation. The City Council allocated one hundred thousand dollars (\$100,000) to the program, which is administered by a local nonprofit, Samaritan House. City staff continue to work closely with Samaritan House and assess whether modification of the program is needed to meet community needs.

Rent limits and just cause urgency ordinance

On November 12, 2019, the City Council passed an urgency ordinance (No. 1063) providing an annual rent cap of 5 percent (5 percent) plus consumer price index (CPI) and just cause eviction protections for residential tenancies, which mirrored new state law (Assembly Bill 1482 Tenant Protection Act of 2019) that became effective January 1. Enacting the state law locally from November 12 to December 31, 2019 provided tenants with a legal defense to certain unlawful detainer actions before state law taking effect. As a result of AB 1482, annual rent increases are currently limited to 9 percent (9 percent) for all San Mateo County jurisdictions. Some exemptions to the rent limits do apply such as single family homes and housing built within the last 15 years. Just cause eviction protections are applicable to a tenant as a result of a no-fault eviction, which require a minimum of a one-month relocation payment from the landlord to the tenant. If a tenant is found to be at-fault (nonpayment of rent, breach of lease, etc.) for a resulting eviction, there is no requirement for relocation payment. Similarly, certain dwelling units are exempt and a list is available on the City's website, in Attachment D.

Funding agreements

The primary purpose of the below market rate (BMR) housing program is to increase the supply and assist in the development of housing that is affordable to very low-, low-, and moderate income households. Compliance with the City's BMR program can be met with the development of affordable units, the payment of in-lieu fees, or a combination of the two. The BMR housing fund is comprised primarily of commercial development in-lieu fees. Payment of BMR fees typically occurs before building permit issuance for a project, unless specific provisions are included as part of the BMR agreement.

Program H1.H (Utilize the City's Below Market Rate Housing Fund) requires the City to administer and advertise at least every two years the availability of funds in the BMR Housing Fund. The objective of the NOFA is to support the acquisition, rehabilitation or new construction of housing that will provide long-term affordability. The funding is intended to fill the financing gap between projected total development costs and other available funding sources. In October 2018, the City released its third NOFA and announced the availability of approximately \$11.5 million for affordable rental projects in Menlo Park. Eligible projects include preservation of existing affordable housing, new construction and acquisition for developing permanent affordable rental housing for extremely low-, very low-, and low-income households. The application filing deadline was January 31, 2019, and the City received two applications, with one withdrawn by the applicant after submittal. The proposals were evaluated on a variety of criteria, including period of affordability, consistency with City goals, policies and priorities, proximity to transit and other amenities, unit sizes and affordability, reasonable cost and demonstrated experience.

In 2019, the City Council approved two funding agreements from the BMR Housing Fund. In October, City Council approved \$6.7 million (Resolution No. 6489) for a 100 percent affordable, 141-unit project owned by MidPen Housing located on the 1300 block of Willow Road, which will result in 58 net new BMR units. In November, the City Council approved \$635,502 (Resolution No. 6526) for the rehabilitation and preservation of six (6) existing deed restricted BMR units located at properties on the 1100 block of Willow Road.

Homeless Outreach Team

In 2019, at the direction of City Council, city staff led the formation of a core Menlo Park Homeless Outreach Team (Team,) which consists of staff from the Housing Division, Police Department and LifeMoves, a nonprofit homeless outreach services provider. City staff work closely with nonprofit organizations such as LifeMoves and Samaritan House to coordinate outreach and referral services, with the goal of ending homelessness in Menlo Park. The core team meets weekly at Menlo Park City Hall to discuss case management, strategize coordinated outreach and intervention, streamline resources and prepare action plans for homeless individuals. During 2019, several unsafe encampments were cleared,

with prior intervention and resources provided to homeless individuals. Several homeless individuals were assessed by the San Mateo County Coordinated Entry System, which allows them access to shelter, supportive services and housing, potentially reducing the number of homeless in Menlo Park.

Bicycle and pedestrian improvements

For the past several months, multiple city staff from the public works and community development departments have been working collaboratively with MidPen Housing to prepare a competitive application for submittal to the California Strategic Growth Council, Affordable Housing and Sustainable Communities (AHSC) grant program, to support the 141unit affordable housing development on the 1300 block of Willow Road and related transportation, pedestrian and bicycle improvements. A large component of being qualified to receive this funding for affordable housing is to incorporate transportation improvements with the AHSC grant application. The transportation improvements, such as protected bike lanes, also required City Council to agree and authorize specific timelines for project completion. The contribution of city staff resources to assist MidPen Housing with the AHSC grant application preparation were essential to the submittal of a competitive application. The AHSC application preparation process started in 2019 and was completed in early 2020, with AHSC grant recipients to be notified and awarded in 2020. If awarded, these grant funds will support the development of the affordable housing project, the completion of identified transportation, bicycle and pedestrian improvements in Belle Haven neighborhood, and Samtrans' purchase of two new buses that will serve the project and local community.

First-time homebuyer workshop

In March 2019, the Housing Endowment and Regional Trust (HEART) of San Mateo County and the City partnered to offer a first-time homebuyer workshop in the Menlo Park City Council Chambers. The event provided information to low income household about HEART's first-time homebuyer program, which offers perspective buyers an opportunity to purchase a market rate home with a 5 percent (5 percent) down payment.

Housing programs outreach

Community development department staff have attended multiple public events throughout the year, including Facebook Festivals, the Belle Haven Community Fair, and the Downtown Block Party. At the events, staff interacts directly with community members and provides information about housing programs and services. The City also provides housing resource information on its website, including BMR rental and ownership housing, first time homebuyer workshops and contacts for fair housing and housing legal services. In addition to information being available on the City's website and at City Hall, the Housing Commission conducted nine public meetings.

Senate Bill 2 (SB 2) planning grant program (PGP)

In December 2019, the City submitted an SB 2 planning grant application to the State of California Housing and Community Development Department (HCD). The purpose of the PGP is to provide financial and technical assistance to local governments to update planning documents in an effort to increase housing production. The primary use of funds, identified in the application, included utilizing awarded funds to encourage the building of accessory dwelling units (ADU) and evaluating housing incentives and other tools for housing production in the El Camino Real/Downtown specific plan area, which assist the City in reaching its Regional Housing Needs Assessment/Allocation (RHNA.) If the City's application is supported by HCD, a maximum of \$160,000 could be awarded to the City to fund identified projects. Once final approval is received, staff plans to update the City Council in 2020.

Housing production

As part of HCD's SB 35 Statewide determination summary, Menlo Park is one of only 28 jurisdictions in California that has met its pro-rated lower (very- and low) and above-moderate income RHNA for the

previous reporting period. This means that Menlo Park is not currently subject to SB 35 (Housing Accountability and Affordability Act), which was passed in 2017 and became effective January 1, 2018, and created a streamlined approval process for housing when a city is not meeting its RHNA.

In 2019, the City issued building permits for 196 net new dwelling units, which is nearly four and half times greater than the 2018 total (44 units.) Of those units, approximately 93 percent can be attributed to the Station 1300 project at 1300 El Camino Real (183 units,) 3 percent can be attributed to the development under construction at 506-556 Santa Cruz Avenue and 1125 Merrill Street (six units were permitted in 2019 and three units were permitted and counted in the 2018 APR,) approximately 2 percent of the building permits were for secondary dwelling units (four units), and the remaining permits were issued for a combination of single-family and multifamily residences. Although total housing production increased for the year, the number of secondary dwelling units receiving building permits decreased compared to 2018. There is no clear indication why the number of secondary dwelling units fell compared to previous years, but it is possible that anticipated changes to state laws regarding the streamlining of secondary dwelling unit production caused homeowners and developers to take a wait-and-see approach before submitting plans, among other potential reasons. While Table A2 of the APR form includes data on new housing units that have either received entitlements, a building permit, or a certificate of occupancy that was issued during the reporting period, only building permits are used for the purposes of determining progress toward RHNA (fields 7, 8 and 9.)

Building permits for approximately 215 new residential units at 500 El Camino Real are currently under review. While some construction has begun at the site, the permits for the residential units have not been issued and therefore, have not been accounted for in Table A2. This project will also include eight affordable units for low-income households. The addition of housing stock and affordable housing units is helping the City meet its RHNA requirement. These new units will be located in the central area of the City, which will provide housing in close proximity to transit and services, and support the disbursement of affordable housing units in the City.

In total, the City Council and Planning Commission entitled 12 net new residential units in 2019. At this time, building permits have not been issued for these units. The number of units that are entitled in the year was a new reporting category beginning with the 2018 APR form and helps provide a more complete picture of housing in a jurisdiction. The approved 2019 projects include seven multifamily residential units, four secondary dwelling units and one net new single-family dwelling units.

The APR form also includes a list of residential development applications that were submitted and also deemed complete in the calendar year. While a number of large housing projects or mixed use developments are currently on file, they are not listed in Table A2 because they were not deemed complete in the same year. Proposals of 100 units or more are listed below and indicate whether the application was submitted under Senate Bill 330 (SB 330) streamline guidelines.

Property address	Number of proposed units	SB 330
111 Independence Drive	105	No
115 Independence Drive (Menlo Portal)	320	Yes
123 Independence Drive (Sobrato)	383	Yes
165 Jefferson Drive (Menlo Flats)	138	Yes
141 Jefferson Drive (Menlo Uptown)	483	Yes
Willow Village (Facebook)	1735	No

While the City's housing production during the first five years of the planning period has exceeded the City's regional housing needs assessment of 655 units, the City continues to seek opportunities to increase housing production and will strive to meet its numbers for affordable housing. A key component of the general plan update adopted in December 2016 was the planning for an additional 4,500 units in the City. Since the adoption of the general plan update, the City has received several development or study session applications for residential or mixed use developments in the Bayfront Area that total nearly 3,200 units. All of the proposed projects, with 20 or more units, would be subject to the City's 15 percent BMR requirement, which is estimated to produce 473 BMR units.

Looking ahead

The focus on housing production, preservation and protection continues to remain a high community and regional priority. Staff will be continuing to work on 2019-initiated programs, including short-term rental regulations identified in the Housing Commission work plan and a BMR study directed by the City Council to evaluate the feasibility of the City's 15 percent BMR requirement on various housing product types and sizes.

During the City Council's 2020 goal setting session, compliance with recent changes in State law, including several accessory dwelling unit (ADU) bills and the processing of residential projects under Senate Bill 330 were important. The City Council was also interested in exploring incentives for housing production within the El Camino Real/Downtown specific plan area as well as initiating the housing element process for the next cycle. These topics will be further discussed as part of the City Council's goal setting process. Staff will continue to focus on programs to implement the Housing Element and other work, as directed by the City Council that supports the production and preservation of the City's housing stock.

Senate Bill 341 annual housing successor report

In accordance with Senate Bill 341 (SB 341,) housing successor agencies of former redevelopment agencies must provide an annual report that details compliance with the expenditure limitations detailed in the state law. The report is required to be submitted to HCD annually by April 1, which is the same due date as the APR. The report is included as Attachment E.

For the fiscal year ending June 30, 2019, the low and moderate income housing asset fund had a cash balance of \$906,153 and a fund balance of \$6,240,861. The fund received \$12,310 from housing loans and \$67,940 for interest earned on cash in the fund.

The housing successor does not have any interests in real property acquired by the former redevelopment agency. The last remaining real property acquired by the former agency was sold in August 2013 and the proceeds were remitted to the county of San Mateo. The housing successor also does not have any remaining housing replacement or production obligations.

Impact on City Resources

There are no impacts to City resources besides the preparation of the report. Program implementation may have impacts to staffing resources and/or projects/priorities and will be considered as part of the City's annual Capital Improvement Plan and budget process.

Environmental Review

The housing element annual report is not considered a project. Implementation of housing programs may

be subject to the California Environmental Quality Act (CEQA), and each program will be evaluated on a case-by-case basis.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. 2019 housing element annual progress report
- B. Hyperlink – Adopted housing element for the 2015-2023 planning period:
menlopark.org/DocumentCenter/View/4329/Adopted-Housing-Element-2015-2023?bidId=
- C. Hyperlink – Tenant relocation assistance ordinance:
menlopark.org/1399/Tenant-relocation-assistance-ordinance
- D. Hyperlink – rent limits and just cause urgency ordinance:
menlopark.org/1619/Rent-limits-and-just-cause-urgency-ordin
- E. Senate Bill 341 annual housing successor report

Report prepared by:

Michael Noce, Management Analyst II

Report reviewed by:

Rhonda Coffman, Deputy Community Development Director - Housing

Deanna Chow, Interim Community Development Director

Jurisdiction	Menlo Park	
Reporting Year	2019	(Jan. 1 - Dec. 31)

**ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation**

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

(CCR Title 25 §6202)

Table A

Housing Development Applications Submitted

Project Identifier				Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes							Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes		
1				2	3	4	5							6	7	8	9	10	
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+ ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted	Very Low-Income Deed Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project (Auto-calculated Can Be Overwritten)	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)7 (SB 35 Streamlining)	Notes*
Summary Row: Start Data Entry Below																			
	62215030	323 Haight St		PLN2019-00025	ADU	R	3/25/2019	0	1	0	0	0	0	0	1	1	0	No	Second Unit (SU) affordability is consistent with the Housing Element assumptions and based on a survey of San Mateo County jurisdictions.
	62303160	611 Woodland Ave		PLN2019-00020	SFD	O	3/5/2019								1	1	0	No	Second Unit (SU) affordability is consistent with the Housing Element assumptions and based on a survey of San Mateo County jurisdictions.
	63441470	313 O'Connor St		PLN2019-00023	ADU	R	3/21/2019				1				1	1	0	No	Second Unit (SU) affordability is consistent with the Housing Element assumptions and based on a survey of San Mateo County jurisdictions.
	62361050	333 Pope St		PLN2019-00039	ADU	R	5/17/2019					1			1	1	0	No	Existing residence is being demolished, and new residence and secondary dwelling unit are being constructed. Second Unit (SU) affordability is consistent with the Housing Element assumptions and based on a survey of San Mateo County jurisdictions.
	71272190	966 Menlo Ave		BLD2019-00451	SFD	O	4/15/2019								1	1	0	No	Existing residence is being demolished and two new residences constructed, for a net gain of one housing unit.
															0	0	0		
															0	0	0		
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Jurisdiction	Menlo Park	
Reporting Year	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
 Please contact HCD if your data is different than the material supplied here

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2									3	4
Income Level		RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	233	84	42								148	85
	Non-Deed Restricted		1	3	8	9	1						
Low	Deed Restricted	129	20		2	1	14					54	75
	Non-Deed Restricted		2	4	4	5	2						
Moderate	Deed Restricted	143				2	7					11	132
	Non-Deed Restricted				1	1							
Above Moderate		150	712	17	20	26	172					947	
Total RHNA		655											
Total Units			819	66	35	44	196					1160	292

Note: units serving extremely low-income households are included in the very low-income permitted units totals
 Cells in grey contain auto-calculation formulas

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	Menlo Park		
Reporting Year	2019	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.A Establish City Staff Work Priorities for Implementing Housing Element Programs	Establish staff priorities for implementing Housing Element Programs	Annually	This will be done annually as part of the annual Housing Element review.
H1.B Review the Housing Element Annually	Review and monitor Housing Element implementation; conduct public review with the Housing Commission, Planning Commission and City Council, and submit Annual Report to HCD	Annually	Annual review for the 2018 calendar year was accepted by the City Council on March 26, 2019 and submitted to HCD for review. Using forms provided by HCD, the 2019 annual review was completed by staff between January to February 2020, and public reviews were conducted by the Housing Commission, Planning Commission and City Council in March 2020.
H1.C Publicize Fair Housing Laws and Respond to Discrimination Complaints	Obtain and distribute materials (see Program H1.D)	Ongoing	Materials available at the 1st floor counter located at Menlo Park City Hall and on the City's website. In 2019, fair housing and legal services referrals are provided by phone, email and in person. Fair housing and legal services information is updated and available on the City website and distributed in print materials at community events throughout the year.
H1.D Provide Information on Housing Programs	Obtain and distribute materials at public locations; conduct staff training	Annually	Materials are available at the 1st floor counter located at Menlo Park City Hall and on the City's Web site. In 2019, the Housing Commission conducted nine public meetings and recommended a Tenant Relocation Assistance ordinance that was approved by the City Council in March 2019. Additionally, the Menlo Park City Council passed an urgency ordinance on November 12, 2019 to enact state law AB 1482 locally prior to the January 1, 2020 effective date. This urgency ordinance enacted the rent increase and just cause protections of the state law, earlier than state law was in effect. The City sent a notice of this new urgency ordinance to every property owner in the City. In 2019, City staff attended multiple community events to provide housing program information.
H1.E Undertake Community Outreach When Implementing Housing Element Programs	Conduct community outreach and distribute materials (see Programs H1.C and 1H.D)	Consistent with program timelines	Materials are available at the 1st floor counter located at Menlo Park City Hall and on the City's Web site. Housing Commission meetings are conducted monthly. An opt-in email subscription is available to the public to receive Housing Commission agendas and general updates. Additional public outreach is conducted based on program type. In 2019, the Housing Commission conducted nine public meetings. Agendas and notices are posted at City Hall and on the City's website.
H1.F Work with the San Mateo County Department of Housing	Coordinate with County efforts to maintain and support affordable housing	Ongoing	Continued participation and coordination has occurred as part of the countywide 21 Elements organization. Working with the County Department of Housing and other jurisdictions on housing-related topics such as accessory dwelling units and short-term rentals, and coordination in implementing Housing Element programs. In 2019, the City increased collaborative efforts with the County Department of Housing including participating in the County Funding Subcommittee. The City also continued to participate in the Home for All Learning Network and Community Convenings, all efforts that aim to support affordable housing.
H1.G Adopt an Anti-Discrimination Ordinance	Undertake Municipal Code amendment and ensure effective implementation of anti-discrimination policies and enforcement as needed	2016	Completed. On August 6, 2018, the City Council approved the Anti-Discrimination ordinance. The City will be considering additional ordinances to address housing challenges as part of its ongoing discussion about housing supply, affordable housing and displacement.
H1.H Utilize the City's Below Market Rate (BMR) Housing Fund	Accumulate and distribute funds for housing affordable to extremely low, very low, low and moderate income households	Ongoing	In March 2019, the redevelopment of affordable housing located at 1300 Willow Road was approved for a funding agreement of up to \$6.7 million, increasing the total of affordable units on the site to 141 (net new of 58 units). The non-profit developer is working to secure the remainder of project funding before construction permits are requested. In November 2019, the City Council approved funding of up to \$635,502 for the rehabilitation and preservation of six existing BMR units, which are owned and operated by a non-profit.
H1.I Work with Non-Profits on Housing	Maintain a working relationship with non-profit housing sponsors	Ongoing	In 2018, MidPen submitted an application to redevelop property on the 1300 block of Willow Road from 89 to 140 affordable rental units, which required the City to abandon a right-of-way. The 1300 Willow Road project was approved in 2019, and City staff has been working closely to support the non-profit project sponsor, MidPen Housing, with their Affordable Housing and Sustainable Communities (AHSC) grant application preparation and submittal. The City has also been in discussion with other non-profit housing sponsors related to housing development opportunities.
H1.J Update the Housing Element	Assure consistency with SB375 and Housing Element law	2023	Completed. The City Council adopted the 2015-2023 Housing Element on April 1, 2014, and was certified by HCD on April 16, 2014.
H1.K Address Rent Conflicts	Resolve rent conflicts as they arise	Ongoing	In October 2018, a draft rental relocation assistance ordinance was recommended for approval by the Housing Commission. In March 2019, City Council adopted a tenant relocation assistance ordinance. Also, in November 2019, the City Council passed an urgency ordinance to enact state law AB 1482 locally prior to the January 1, 2020 effective date, enacting rent increase and just cause protections.
H1.L Update Priority Procedures for Providing Water Service to Affordable Housing Developments	Comply with Government Code Section 65589.7	2015 and 2020 (as part of Urban Water Management Plan updates)	Program completed in February 2014. No additional work on this program is needed at this time.
H1.M Lobby for Changes to State Housing Element Requirements	Work with other San Mateo County jurisdictions and lobby for modifications to Housing Element law (coordinate with Program H1.B)	Ongoing	In 2019, The City Council and staff have attended various meetings with State Representatives, legislators and other jurisdictions to provide input on proposed legislation. The City continues to participate with the 21 Elements, the county ABAG sub region group, to review, discuss, analyze and provide comment on various housing and planning related legislation.
H2.A Adopt Ordinance for "At Risk" Units	Protect existing affordable housing	2016	There are no "at risk" subsidized affordable units in Menlo Park at the current time. "At risk" units are those that appear to be in danger of conversion from subsidized housing units to market rents.

H2.B Promote Energy Efficient/Renewable Programs	50 or more homes and businesses participating in a program	Establish policy and programs by 2017; Participation rate by 2022	As of 2019, Peninsula Clean Energy (PCE) serves 15,544 Menlo Park residents and businesses; 3.04% PCE customers opted up to receive 100% renewable energy through its ECO100 service. Only 1.5% opted out of the program and went back to PG&E or other provider. Menlo Park continued to participate in regional energy efficiency/renewable energy regional programs, such as Home Energy Renovation Opportunity (HERO), Energy Upgrade California, and GRID Alternatives. In 2018 and 2019 GRID Alternatives installed 14 solar arrays in the Belle Haven neighborhood. In 2019, the City Council approved an all-electric reach code requirement for all new construction, which requires nearly all electric appliances and clean energy power sources to be used.
H2.C Amend the Zoning Ordinance to Protect Existing Housing	Protect existing rental housing as part of infill implementation and other Zoning Ordinance changes	Consider as part of the City's General Plan Update (2014-2017)	The zoning ordinance efforts during the General Plan process focused on the creation of new housing in an area that previously did not allow residential uses. Staff recognizes that potential ordinance changes to limit the loss of residential units or the conversion of units can be strategies to maintain the City's housing stock. This is an ongoing item staff will evaluate along with other housing priorities.
H2.D Assist in Implementing Housing Rehabilitation Programs	Apply to the County for CDBG funds to provide loans to rehabilitate very low and low income housing (20 loans from 2015-2023)	2015-2023	The County has temporarily stopped administering the CDBG rehabilitation loan program, except in emergency situations. In 2019, the Housing Commission discussed options and opportunities for potential housing rehabilitation loan programs, which will continue.
H3.A Zone for Emergency Shelter for the Homeless	Amend the Zoning Ordinance	2014; concurrent with RHNA 5 Housing Element Update	Completed. Ordinance adopted on April 29, 2014. Ordinance identifies the location of the overlay to allow an emergency shelter for the homeless for up to 16 beds as a use by right and includes standards consistent with State law as established in SB2.
H3.B Zone for Transitional and Supportive Housing	Amend the Zoning Ordinance	2014; concurrent with RHNA 5 Housing Element Update	Completed. Ordinance adopted on April 29, 2014 to update the definitions of transitional and supportive housing to be consistent with State law and adds transitional, supportive housing and small (6 or fewer) residential care facilities as part of the definition of a "dwelling" in the Zoning Ordinance so these uses are treated the same way as other residential uses as required by State law under SB2.
H3.C Adopt Procedures for Reasonable Accommodation	Amend the Zoning Ordinance and/or modify administrative procedures; create public handout	2014; concurrent with RHNA 5 Housing Element Update	Completed. Ordinance adopted April 29, 2014 to establish procedures, criteria and findings for enabling individuals with disabilities to make improvements and overcome barriers to their housing.
H3.D Encourage Rental Housing Assistance Programs	Provide assistance at current Section 8 funding levels to assist 220 extremely low and very low-income households per year (assumes continued funding of program)	2015-2023	There are approximately 301 housing vouchers issued for incorporated Menlo Park, which assist a total of 586 individuals. Of the total, 200 households include elderly or disabled persons and 86 are households with children.
H3.E Investigate Possible Multi-Jurisdictional Emergency Shelter	Coordinate in the construction of homeless facility (if determined feasible)	Longer term program as the opportunity arises	There are no plans for a specific facility at this time.
H3.F Assist in Providing Housing for Persons Living with Disabilities	Provide housing and services for disabled persons	Ongoing	The City has continued to support HEART and has participated in countywide activities to address homeless needs. In addition, through the City's Community Funding program, the City supports LifeMoves, and continues to participate and support the Housing Leadership Council, and promote staff attendance at Housing Leadership Day sessions and discussions. In 2019, at the direction of City Council, city staff led the formation of a core Menlo Park Homeless Outreach Team (Team), which consists of staff from the Housing Division, Police Department and LifeMoves, the nonprofit homeless outreach services provider. The City staff work closely with non-profit organizations such as LifeMoves and Samaritan House to coordinate outreach and referral services, with the goal of ending homelessness in Menlo Park. The core team meets weekly at Menlo Park City Hall to discuss case management, strategize coordinated outreach and intervention, streamline resources and prepare action plans for homeless individuals. During 2019, several encampments were removed, with prior intervention and resources provided to homeless individuals and five homeless individuals were assessed, which allows them to be streamlined for supportive services and housing, potentially reducing the number of homeless in Menlo Park.
H3.G Develop Incentives for Special Needs Housing	Amend the Zoning Ordinance to provide opportunities for housing and adequate support services for seniors and people living with disabilities	Consider as part of the City's General Plan Update (2014-2017)	The City's Affordable Housing Overlay (AHO), which was established in 2013, was applied to MidPen's 90-unit affordable, senior housing development. Along with financial incentives, the AHO provides density bonuses and a parking reduction for senior housing.
H3.H Continue Support for Countywide Homeless Programs	Support housing and services for the homeless and at-risk persons and families	Ongoing	The City has continued to support HEART and has participated in countywide activities to address homeless needs. In addition, through the City's Community Funding program, the City supports LifeMoves, and continues to participate and support the Housing Leadership Council, and promote staff attendance at Housing Leadership Day sessions and discussions.
H3.I Work with the Department of Veterans Affairs on Homeless Issues	Coordination in addressing the needs of the homeless	2014; ongoing thereafter	In 2019, the VA issued a Request for Proposals (RFQ) to develop additional veteran housing on their Menlo Park campus. City staff attended the RFQ workshop and met with the non-profit developers to provide information for submittals in response to the RFQ. The VA awarded the project to a local non-profit housing developer and the City held initial meetings with them to support their project. As opportunities arise, staff will continue to work with the VA.
H4.A Modify R-2 Zoning to Maximize Unit Potential	Amend the Zoning Ordinance to minimize underutilization of R-2 development potential	Consider as part of the City's General Plan Update (2014-2017)	Staff plan to revisit modifications to the R-2 in the future and assess the utilization of the allowed density for this zoning district.
H4.B Implement Inclusionary Housing Regulations	Implement requirements to assist in providing housing affordable to extremely low, very low, low and moderate income households in Menlo Park	Ongoing	In 2019, the City continued to work with BAE Urban Economics, Inc. to study an additional fee and potential changes to inclusionary housing regulations. Results are expected to be released in 2020.
H4.C Modify BMR Guidelines	Amend the Zoning Ordinance to require affordable units in market rate developments	2015	In 2018, the Menlo Park City Council approved multiple revisions to the BMR Housing Guidelines. In 2019, the Housing Commission initiated additional review of the guidelines with staff and identified a set of amendments that will be continued to 2020.
H4.D Update the BMR Fee Nexus Study	Update to fees consistent with the nexus of potential impacts on affordable housing need	2015	In 2019, the City commissioned an additional fee and inclusionary study by BAE Urban Economics, Inc., and results are expected to be released in 2020. The study is expected to include information on the point of indifference in relation to a developer including a unit(s) compared to fees for different size developments, which may affirm the review of fees.

H4.E Modify Second Dwelling Unit Development Standards and Permit Process	Achieve Housing Element target for new second units (40 new secondary dwelling units between 2015-2023, with 5 per year) — 18 very low, 18 low and 4 moderate income second units.	2014; ongoing thereafter	In 2019, four building permits were issued for new secondary units. Given changes in state law effective January 1, 2020, an urgency ordinance was passed by City Council on February 25, 2020 to ensure the City's ordinance complies with state law. The assessment of additional adjustments to City regulations will be studied with the use of SB 2 funding grant.
H4.F Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit	Adopt procedures and requirements to allow conversion of accessory structures and buildings (15 new secondary dwelling units — 6 very low income, 6 low income and 3 moderate income units)	2014; review the effectiveness of the ordinance in 2015	In 2019, there were no secondary unit conversions. Given changes in state law effective January 1, 2020, an urgency ordinance was passed by City Council on February 25, 2020 to ensure the City's ordinance complies with state law. In 2019, the City submitted an SB 2 planning grant application for consideration, with a secondary dwelling unit ordinance amendment and secondary applicant navigation tools identified as the primary activities to be funded and implemented if awarded funds.
H4.G Implement First-Time Homebuyer Program	Provide referrals	2015-2023	The City is referring first time homebuyers to HEART for down payment assistance since BMR funds are no longer available for this program. Information is available on the City's Housing webpage per Housing Programs H1.C and H1.D. In September 2019, the City and HEART partnered to hold a first-time homebuyer workshop in at the Menlo Park City Council Chambers. The City continued to distribute information on first time homebuyer workshops throughout the year. Also in 2019, the City completed the sale of three new BMR ownership units, produced as a result of the City's BMR guidelines and requirements. Two of the 4-bedroom units were sold to moderate income large families and one unit was sold to a low income large family. The City continues to maintain a BMR ownership waitlist for other potential BMR unit sale and resale opportunities as they occur.
H4.H Work with Non-Profits and Property Owners on Housing Opportunity Sites	Identify incentives and procedures to facilitate development of housing affordable to extremely low, very low, low and moderate income households on higher density housing sites	Ongoing	In March 2019, the City Council approved a funding agreement of up to \$6.7 million and the abandonment of City owned right-of-way, which allows for a greater number of units for extremely low and very low income households to be developed on the 1300 Willow Road site. The City will continue to identify partnership opportunities that further the development of affordable units in Menlo Park.
H4.I Create Multi-Family and Residential Mixed Use Design Guidelines	Adopt design guidelines for multi-family and mixed use housing developments	Consider as part of the City's General Plan Update (2014-2017)	As part of the General Plan and M-2 Area Zoning Update, the City Council adopted the new R-MU (Residential Mixed Use) zoning district. The proposed zoning district includes design standards, which include a number of provisions addressing building modulation, height variation, site design, and open space requirements.
H4.J Consider Surplus City Owned Land for Housing	Identify opportunities for housing as they arise	Consider as part of the City's General Plan Update (2014-2017)	As of 2019, staff has not been directed to return to the City Council to present potential development options for City-owned properties.
H4.K Work with the Fire District	Undertake local amendments to the State Fire Code and approve City Council Resolution ratifying the Fire District's local amendments	2014 (in progress)	Menlo Park Fire District developed a draft ordinance to the 2019 Fire Code, which was approved by their board of directors in October 2019. The City Council approved a resolution ratifying the Fire District's amendments to the Fire Code in December 2019.
H4.L Coordinate with School Districts to Link Housing with School District Planning Activities	Coordinate and consider school districts long-range planning, resources and capacity in planning for housing	Ongoing with Housing Element program implementation. Consider as part of the City's General Plan Update (2014-2017)	In 2019, City staff have continued to be in contact with local school districts to share information on new residential development proposals. The City also met with one school district to discuss the potential redevelopment of one of their vacant school sites to affordable teacher housing. Staff have also been participating in the Home for All effort to convene school districts throughout the county to help identify development opportunities and to support the process.
H4.M Review the Subdivision Ordinance	Modify the Subdivision Ordinance as needed	Consider as part of the City's General Plan Update (2014-2017)	No activity to date.
H4.N Create Opportunities for Mixed Use Development	Conduct study and establish regulations to allow housing in commercial zones	Consider as part of the City's General Plan Update (2014-2017)	As part of the General Plan and M-2 Area Update approval in December 2016, the Council adopted zoning amendments to the C-2-B zoning district to allow residential uses to create mixed-use opportunities in key areas along the Willow Road Corridor and created the R-MU zoning district. A number of properties that were previously zoned for commercial and industrial uses were rezoned with the new zoning district to create opportunities for higher density housing and mixed use developments. Consideration of the amended C-2-B and the new R-MU zoning districts will continue on an as-needed basis.
H4.O Review Transportation Impact Analysis Guidelines	Modify Transportation Impact Analysis (TIA) guidelines	Consider as part of the City's General Plan Update (2014-2017)	In December 2016, the City Council adopted a new Circulation Element, recognizing that work on the Transportation Master Plan (TMP) was a high priority. Work on modifications to the TIA will be considered a future program and may be informed by the work of the Transportation Master Plan that is underway. A consultant team was hired in 2017 to lead the TMP effort and an 11-member city-led Oversight and Outreach Committee (OOC) was formed to help guide the process. In 2018, the OOC held six public meetings to gather input from the community and evaluate proposed strategies. In 2019, the City Council added update of the TIA guidelines to their work plan. In early 2020, the City Council provided feedback on approach to the TIA guidelines update. An updated version of the TIA Guidelines is projected to be adopted by June 2020.
H4.P Update Parking Stall and Driveway Design Guidelines	Modify Parking Stall and Driveway Design Guidelines	2014	In 2017, the City began a preliminary review of the parking stall and driveway design guidelines. Review of these guidelines is still underway.
H4.Q Achieve Long-Term Viability of Affordable Housing	Establish project management and other ongoing project coordination needs	As developments are proposed and ongoing thereafter	The City continues to partner with Hello Housing to administer the City's BMR list and to coordinate with project sponsors to qualifying households for affordable housing in the City per the BMR Guidelines. In 2018, construction began on a townhome development, which will include 3 deed restricted BMR ownership units. These units are family oriented with 4 bedrooms and located close to transit. In 2019, all 3 of the BMR ownership units previously mentioned were sold to households on the City's BMR list.
H4.R Modify Overnight Parking Requirements to include the R-4-S Zoning District	Modify Section 11.24.050 [Night Parking Prohibited] of the Municipal Code as needed	2014	In October 2015, the City Council approved the removal of on-street parking along the north side of Haven Avenue as part of the Haven Avenue Streetscape Project. Identified as housing opportunity sites in the Housing Element, two parcels along Haven Avenue are currently being redeveloped with 540 multi-family residential units. The objective of the Haven Avenue Streetscape Project is to provide a direct connection for bicyclists and pedestrians between the Bay Trail and the City of Redwood City's bikeway and sidewalk network by constructing sidewalks and bicycle facilities along Haven Avenue. The removal of on-street parking is helping facilitate the enhanced multi-modal improvements along this corridor.

<p>H4.S Explore Creation of a Transportation Management Association</p>	<p>Explore creation of a Transportation Management Association</p>	<p>Consider as part of the City's General Plan Update (2014-2017)</p>	<p>In April 2019, the City released a joint RFP with the City of Foster City to solicit bids from prospective firms to assist with TMA Feasibility Studies. Two independent contracts were awarded to Steer Group to conduct the studies, with the City of Menlo Park awarding Steer Group's contract in July 2019. The initial phase of work included data collection and analysis, along with stakeholder outreach and surveying. A progress report of the work conducted so far will be presented to the City Council on February 25, 2020. Next steps include presenting an options analysis to City Council in March 2020 to narrow the choices for potential TMAs. With a focus on potential models to study, Steer Group will conduct a detailed analysis on these options to identify how to structure a potential TMA. The Final Report on these findings is expected to be presented to City Council in July 2020.</p>
<p>H4.T Explore Pedestrian and Bicycle Improvements</p>	<p>Coordinate with Redwood City on potential pedestrian and bicycle improvements</p>	<p>Consider as part of the City's General Plan Update (2014-2017)</p>	<p>The City was awarded a grant from the San Mateo County Transportation Authority (Measure A funds) to implement the Haven Avenue bicycle/pedestrian improvements. The improvements include new facilities to a key corridor that connects Menlo Park, San Mateo County and Redwood City. The project area includes Haven Avenue between Marsh Road and the Redwood City boundary, an area where several properties were recently rezoned to higher density housing. Through work on the Transportation Master Plan, improvements in the area can be identified. In addition, as part of the Menlo Gateway hotel and office project, pedestrian and bicycle improvements will be implemented. Bike lanes along a portion of Haven Avenue have been installed. Recently, the City has been awarded multiple grants to improvement the existing bicycle/pedestrian networks. These improvements include: new sidewalk facilities on Pierce Road and Oak Grove Avenue, and new bicycle facilities on San Mateo Drive and Ringwood Avenue. Additionally, the ongoing Transportation Master Plan will serve as an update to the City's existing Sidewalk Master Plan and Comprehensive Bicycle Development Plan. In 2019, the City worked collaboratively with MidPen Housing to support their Affordable Housing and Sustainable Communities (AHSC) grant application to secure funding for MidPen's affordable housing development as well as pedestrian and bicycle transportation improvements along Willow Road.</p>
<p>H1.E Undertake Community Outreach When Implementing Housing Element Programs</p>	<p>Conduct community outreach and distribute materials (see Programs H1.C and 1H.D)</p>	<p>Consistent with program timelines</p>	<p>Materials are available at the 1st floor counter located at Menlo Park City Hall and on the City's Web site. Housing Commission meetings are conducted monthly. In 2019, the Housing Commission conducted nine meetings. Agendas and notices are posted at City Hall and on the City's website. Email notifications are also sent to interested parties. Additional outreach to targeted populations and interested parties depending on program.</p>
<p>H1.I Work with Non-Profits on Housing</p>	<p>Maintain a working relationship with non-profit housing sponsors</p>	<p>Ongoing</p>	<p>The City worked closely with MidPen to assist in their application submittal to redevelop their property on the 1200 block of Willow Road from 48 to 90 affordable dwelling units, including an application to abandon a portion of the public right-of-way and assistance with documentation needed for financing of the project. The building permits for MidPen's project were issued in 2016 and the building became fully occupied in 2017. In 2018, MidPen submitted an application to redevelop property on the 1300 block of Willow Road from 89 to 140 affordable dwelling units, which requires the City to abandon right-of-way. The City will continue to undertake outreach to non-profit housing sponsors throughout the 2015-2023 Housing Element period. Annual funding and support is provided to HIP Housing and the Housing Leadership Council.</p>

Jurisdiction	Menlo Park	
Reporting Period	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Table E									
Commercial Development Bonus Approved pursuant to GC Section 65915.7									
Project Identifier				Units Constructed as Part of Agreement				Description of Commercial Development Bonus	Commercial Development Bonus Date Approved
1				2				3	4
APN	Street Address	Project Name ⁺	Local Jurisdiction Tracking ID ⁺	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Description of Commercial Development Bonus	Commercial Development Bonus Date Approved
Summary Row: Start Data Entry Below									

Jurisdiction	Menlo Park	
Reporting Period	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Note: "+" indicates an optional field
 Cells in grey contain auto-calculation formulas

Table F

Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)(2)

This table is optional. Jurisdictions may list (for informational purposes only) units that do not count toward RHNA, but were substantially rehabilitated, acquired or preserved. To enter units in this table as progress toward RHNA, please contact HCD at APR@hcd.ca.gov. HCD will provide a password to unlock the grey fields. Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in Government Code section 65583.1(c)(2).

Activity Type	Units that Do Not Count Towards RHNA ⁺ Listed for Informational Purposes Only				Units that Count Towards RHNA ⁺ Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1 ⁺
	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Total Units by Income									

Jurisdiction	Menlo Park	
Reporting Year	2019	(Jan. 1 - Dec. 31)

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	1
Low	Deed Restricted	14
	Non-Deed Restricted	2
Moderate	Deed Restricted	7
	Non-Deed Restricted	0
Above Moderate		172
Total Units		196

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Housing Applications Summary	
Total Housing Applications Submitted:	6
Number of Proposed Units in All Applications Received:	6
Total Housing Units Approved:	6
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas



City of Menlo Park as Housing Successor for the
 former City of Menlo Park Redevelopment Agency
 701 Laurel Street, Menlo Park, CA 94025
 Telephone (650) 330-6640 www.menlopark.org

**SENATE BILL 341 ANNUAL HOUSING SUCCESSOR REPORT
 For the Fiscal Year ending June 30, 2019**

- 1) During the fiscal year, the Low and Moderate Income Housing Asset Fund received \$80,250 in amounts deposited. It received \$12,310 from housing loans and \$67,940 for interest earned on cash in the fund. There are no amounts deposited for items listed on the Recognized Obligation Payment Schedule.
- 2) At June 30, 2019, the Low and Moderate Income Housing Asset Fund had a cash balance of \$906,153 and a fund balance of \$6,240,861. There are no amounts held for items listed on the Recognized Obligation Payment Schedule.
- 3) During the fiscal year, the fund spent \$5,700 in combined expenditures to administer housing loans for preserving the long-term affordability of housing units.
- 4) Values as of June 30, 2019:

Real property -	\$0
Loans receivable -	<u>\$5,471,333</u>
Total -	\$5,471,333
- 5) There were no funds transferred during the fiscal year. The Low and Moderate Income Housing Asset Fund does not have any projects on the Recognized Obligation Payment Schedule and will not have any transfers into or out of the fund in the foreseeable future.
- 6) The Low and Moderate Income Housing Asset Fund does not have any projects for which the housing successor holds or receives property tax revenue pursuant to the Recognized Obligation Payment Schedule.
- 7) As of June 30, 2019, the Housing Successor does not have interests in real property acquired by the former redevelopment agency. The last remaining real property acquired by the former redevelopment agency was sold in August 2013 and the proceeds were remitted to the County of San Mateo.
- 8) As of June 30, 2019, the Housing Successor does not have any remaining obligations.

Senate Bill 341 Annual Housing Report, continued

- 9) With the limited funds, the Housing Successor is only providing maintenance on low and moderate income housing loans.
- 10) As of June 30, 2019, the Low and Moderate Income Housing Fund does not foresee any loan repayments.
- 11) The former redevelopment agency area does not contain any deed-restricted senior rental housing applicable to this report.
- 12) As of June 30, 2019, the Low and Moderate Income Housing Fund does not have any excess surplus.
- 13) As of June 30, 2019, the Low and Moderate Income Housing Fund has no inventory of homeownership units.

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STAFF REPORT

City Council Meeting Date: 3/26/2020
Staff Report Number: 20-066-CC

Consent Calendar: Receive and file the investment portfolio review as of December 31, 2019

Recommendation

Staff recommends receipt and filing of the City’s investment portfolio review as of December 31, 2019.

Policy Issues

The City and the Successor Agency funds are invested in full compliance with the City’s investment policy and State law, which emphasize safety, liquidity and yield.

Background

The City’s investment policy requires a quarterly investment report to the City Council, which includes all financial investments of the City and provides information on the investment type, value and yield for all securities.

Analysis

Investment portfolio as of December 31, 2019

The City’s investment portfolio as of December 31, 2019, totaled \$152,903,762. As shown below in Table 1, the City’s investments by type are measured by the amortized cost as well as the fair value as of December 31, 2019. The Local Agency Investment Fund (LAIF) is considered a safe investment as it provides the liquidity of a money market fund. The majority of the remaining securities are prudent and secure short- and medium-term investments (1-5 years,) bearing a higher interest rate than LAIF, and/or provide investment diversification.

Table 1: Recap of investments held as of December 31, 2019				
Security	Amortized cost basis	Fair value basis	% of portfolio	
LAIF	\$ 65,000,000	\$ 65,000,000	42.5%	
Securities Portfolio				
Corporate Bonds	27,120,106	27,309,412	17.9%	
Government Agencies	45,180,032	45,514,252	29.8%	
Government Bonds	15,018,397	15,080,099	9.9%	
Total	\$ 152,318,535	\$ 152,903,762	100.0%	

As shown in Table 1, the fair value of the City’s securities was \$585,228 greater than the amortized cost as

of December 31, 2019. The difference between amortized cost and fair value is referred to as an unrealized loss or gain, and is due to market values fluctuating from one period to another. It is important to note that any unrealized loss or gain does not represent an actual cash transaction to the City, as the City generally holds securities to maturity to avoid market risk.

The consolidated portfolio report for the quarter ending December 31, 2019, is included as Attachment A and each component is described in greater detail below.

LAIF

As previously shown in Table 1, 43 percent of the portfolio resides in the City's account at the LAIF, a liquid fund managed by the California State Treasurer, yielding 2.04 percent for the quarter ended December 31, 2019. LAIF yields had been at historic lows in the recent past but the last three years have shown a small but steady trend upward before recently falling somewhat. Due to the liquidity of LAIF and based on uncertainty surrounding rates for longer-term securities, the City has kept a large number of funds in LAIF in recent years. However, the City does invest excess funds in other types of securities in an effort to provide diversification and guarantee rates from longer-duration investments.

Securities portfolio

As of December 31, 2019, the City held a number of securities in corporate bonds, government agency notes and government bonds and reflect a diversified mix in terms of type but all at low risk. Insight Investment serves as the City's financial adviser on security investments and makes recommended trades of securities, purchase and sale that align market conditions to the City Council adopted investment policy to the greatest extent possible. The Insight Investments quarterly statement for the period ended December 31, 2019, is provided in Attachment B. As shown on the quarterly statement, the return for the period ended December 31, 2019, on an amortized cost basis, was 0.18 percent. The positions the City held as of December 31, 2019, are included in Attachment C and the concentrations of corporate positions by industry is included in Attachment D.

Performance comparison

As specified in the City's investment policy, the performance of the portfolio is measured against the benchmark of a similar-length treasury bond. In the quarter ending December 31, 2019, the City's portfolio returned a weighted average of 2.11 percent with non-LAIF funds having a weighted average maturity of 1.90 years. The trailing 18-month period for a two-year treasury note saw a yield of 2.37 percent, or 0.26 higher than the City's portfolio performance. It is important to note, however that the falling rate climate allowed the City to purchase longer duration positions, which are intended to result in higher yields in future periods.

Finance and Audit Committee communication

This report was transmitted to the Finance and Audit Committee at the special meeting February 4.

Impact on City Resources

Due to the liquidity of LAIF accounts, the City has more than sufficient funds available to meet its expenditure requirements for the next six months.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Insight Investments consolidated portfolio report for the quarter ended December 31, 2019
- B. Insight Investments advised funds quarterly report for the quarter ended December 31, 2019
- C. Securities positions held by the City of Menlo Park as of December 31, 2019
- D. Investment industry concentration for positions held by the City of Menlo Park as of December 31, 2019

Report prepared by:
Dan Jacobson, Finance and Budget Manager

City of Menlo Park

Quarterly Consolidated Portfolio Report

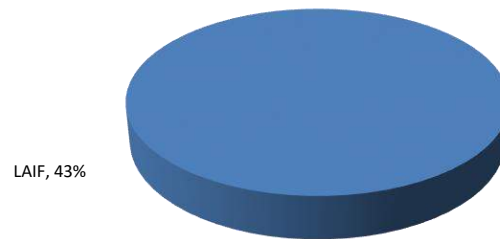
December 31, 2019

City Managed Assets

			%	Return
LAIF	\$	65,000,000	43%	2.04%
Total Internally Managed	\$	65,000,000	43%	

Weighted Average Yield **2.04%**

	Days
Effective Average Duration - Internal	1
Weighted Average Maturity - Internal	1

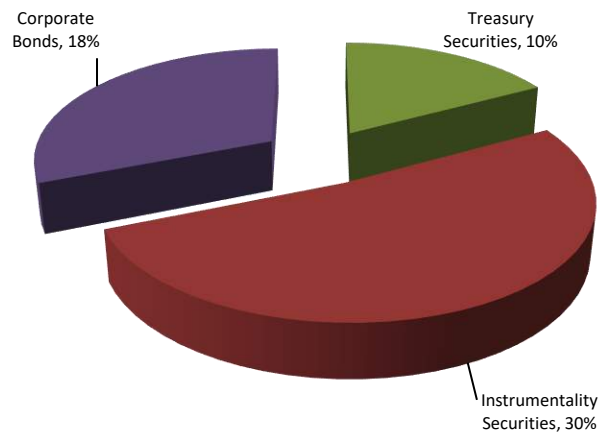


Advisor Managed Assets

			%	Return
Treasury Securities	\$	15,080,099	10%	1.82%
Instrumentality Securities	\$	45,514,252	30%	2.17%
Corporate Bonds	\$	27,309,412	18%	2.35%
Total Externally Managed	\$	87,903,762	57%	

Weighted Average Yield **2.17%**

	Years
Effective Average Duration - External	1.90
Weighted Average Maturity - External	2.01

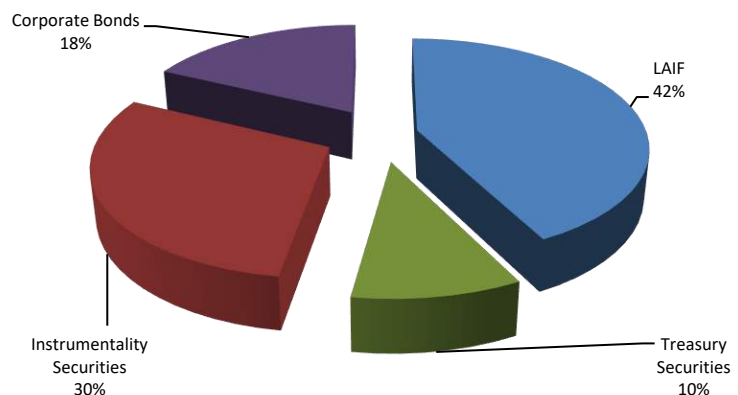


Total Portfolio Assets

			%	Return
LAIF	\$	65,000,000	43%	2.04%
Treasury Securities	\$	15,080,099	10%	1.82%
Instrumentality Securities	\$	45,514,252	30%	2.17%
Corporate Bonds	\$	27,309,412	18%	2.35%
Total Portfolio Assets	\$	152,903,762		

Weighted Average Yield **2.11%**

	Years
Effective Average Duration - Total	1.09
Weighted Average Maturity - Total	1.16



Portfolio Change

Beginning Balance	\$	156,863,861
Ending Balance	\$	152,903,762

Yield Comparison	2-Year Treasury	2-Year Treasury (18 Month Trailing)
	1.65%	2.37%

* Note: All data for external assets was provided by the client and is believed to be accurate.

Insight Investment does not manage the external assets and this report is provided for the client's use.

Market values are presented.

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CITY OF MENLO PARK

December 2019



ACTIVITY AND PERFORMANCE SUMMARY

For the period October 1, 2019 - December 31, 2019

<u>Amortized Cost Basis Activity Summary</u>	
Opening balance	91,247,628.76
Income received	336,606.51
Total receipts	336,606.51
Expenses paid	(311.00)
Total disbursements	(311.00)
Interportfolio transfers	(4,247,793.72)
Total Interportfolio transfers	(4,247,793.72)
Realized gain (loss)	0.00
Total amortization expense	(55,286.10)
Total OID/MKT accretion income	37,690.80
Return of capital	0.00
Closing balance	87,318,535.25
Ending fair value	87,903,762.28
Unrealized gain (loss)	585,227.03

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Corporate Bonds	182,462.79	(21,611.14)	0.00	160,851.65
Government Agencies	256,413.46	(5,860.15)	0.00	250,553.31
Government Bonds	56,354.49	9,875.99	0.00	66,230.48
Total	495,230.74	(17,595.30)	0.00	477,635.44

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* Three month trailing
Fed Funds	2.16	0.96	0.41
Overnight Repo	2.22	0.98	0.41
Merrill Lynch 3m US Treas Bill	2.04	0.87	0.38
Merrill Lynch 6m US Treas Bill	2.02	0.86	0.38
ML 1 Year US Treasury Note	2.06	0.86	0.39
ML 2 Year US Treasury Note	1.97	0.82	0.40
ML 5 Year US Treasury Note	1.96	0.81	0.40

* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	495,230.74
Accretion (amortization)	(17,595.30)
Realized gain (loss) on sales	0.00
Total income on portfolio	477,635.44
Average daily amortized cost	87,722,371.49
Period return (%)	0.54
YTD return (%)	2.13
Weighted average final maturity in days	735

ACTIVITY AND PERFORMANCE SUMMARY

For the period October 1, 2019 - December 31, 2019

<u>Fair Value Basis Activity Summary</u>		
Opening balance		91,863,861.06
Income received	336,606.51	
Total receipts		336,606.51
Expenses paid	(311.00)	
Total disbursements		(311.00)
Interportfolio transfers	(4,247,793.72)	
Total Interportfolio transfers		(4,247,793.72)
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		(48,600.57)
Ending fair value		87,903,762.28

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Corporate Bonds	182,462.79	(5,846.49)	176,616.30
Government Agencies	256,413.46	(42,012.72)	214,400.74
Government Bonds	56,354.49	(741.36)	55,613.13
Total	495,230.74	(48,600.57)	446,630.17

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* Three month trailing
Fed Funds	2.16	0.96	0.41
Overnight Repo	2.22	0.98	0.41
ICE BofAML 3 Months US T-BILL	2.28	1.03	0.46
ICE ML 6m US Treas Bill	2.57	1.17	0.54
ICE ML 1 Year US Treasury Note	2.93	1.15	0.59
ICE ML US Treasury 1-3	3.55	1.09	0.51
ICE ML US Treasury 1-5	4.20	1.10	0.35

* rates reflected are cumulative

<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	495,230.74
Change in fair value	(48,600.57)
Total income on portfolio	446,630.17
Average daily total value *	88,817,005.72
Period return (%)	0.49
YTD return (%)	3.32
Weighted average final maturity in days	735

* Total value equals market value and accrued interest

ADDITIONAL INFORMATION

As of December 31, 2019

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategys holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

ADDITIONAL INFORMATION

As of December 31, 2019

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CITY OF MENLO PARK

December 2019



Contents

Fixed income market review	3
Activity and performance summary	4
Recap of securities held	6
Maturity distribution of securities held	7
Securities held	8
GASB 40 - Deposit and investment risk disclosure	15
Securities purchased	20
Securities sold and matured	21
Transaction report	22
Additional information	23

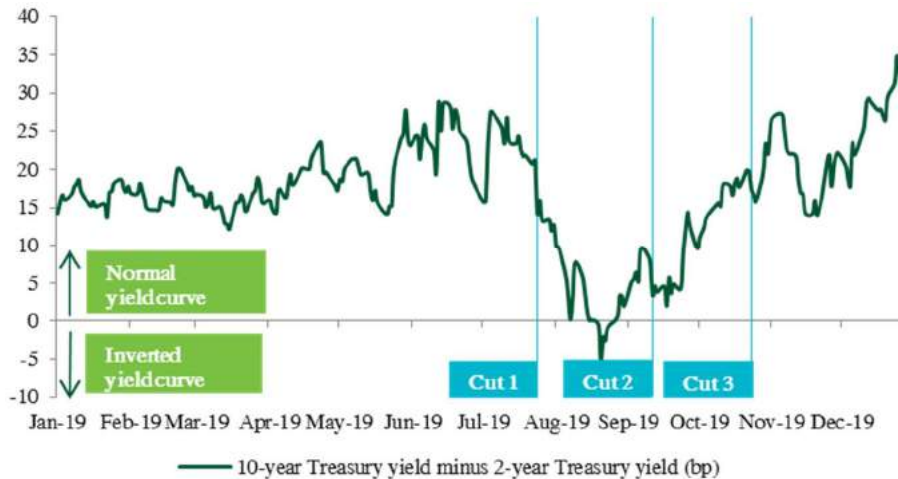
As of December 31, 2019

Chart 1: US unemployment hits a new 50-year low



Source: Bloomberg Finance LP, December 31, 2019.

Chart 2: Return of 'normal' yield curve leaves Fed satisfied with policy rates



Source: Bloomberg Finance LP, December 31, 2019.

Economic Indicators and Monetary Policy

Economic indicators were promising overall. The economy added 266,000 jobs in November (above the expected 180,000) with an upward revision of 41,000 to the previous two months, supported by the return of GM workers following a strike. The unemployment rate fell to a new 50-year low of 3.5% (Chart 1). The ISM manufacturing index weakened to 48.1 (compared to the expected 49.2), but remained higher than the September low-point of 47.8. The non-manufacturing index fell from to 53.9 (versus an expected 54.5).

The US and China agreed to a narrow 'phase one' trade deal, with the expectation that it will be signed in January. New US tariffs previously scheduled to come into effect during the month were suspended. Existing tariff rates on \$120bn of Chinese imports will be halved from 15% to 7.5%, although 25% on a remaining \$250bn of tariffs will remain. China committed to import various US goods and services over the next two years in a total amount that exceeds China's annual level of imports for those goods and services in 2017 by no less than \$200bn. President Trump also stated that discussions on a 'phase two' deal would begin immediately rather than after this year's presidential election.

The final Federal Reserve (Fed) meeting of 2019 brought a run of three consecutive rate cuts to an end (Chart 2). The Fed's messaging tilted towards the optimistic side, removing any mention of "uncertainties" to the outlook, partly as the trade conflict with China appears closer to stabilizing. The committee's revised 'dot plot' showed a majority of members expect no change in rates by the end of 2020, with no member predicting a cut. The yield curve continued to steepen, indicating improving investor optimism around the economy.

Interest Rate Summary

Treasury yields declined mostly across the curve during the month. At the end of December, the 3-month US Treasury bill yielded 1.55%, the 6-month US Treasury bill yielded 1.59%, the 2-year US Treasury note yielded 1.57%, the 5-year US Treasury note yielded 1.69% and the 10-year US Treasury note yielded 1.69%.

ACTIVITY AND PERFORMANCE SUMMARY

For the period December 1, 2019 - December 31, 2019

<u>Amortized Cost Basis Activity Summary</u>	
Opening balance	87,273,309.33
Income received	143,896.07
Total receipts	143,896.07
Total disbursements	0.00
Interportfolio transfers	(91,072.51)
Total Interportfolio transfers	(91,072.51)
Realized gain (loss)	0.00
Total amortization expense	(19,072.66)
Total OID/MKT accretion income	11,475.02
Return of capital	0.00
Closing balance	87,318,535.25
Ending fair value	87,903,762.28
Unrealized gain (loss)	585,227.03

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Corporate Bonds	61,706.93	(7,438.98)	0.00	54,267.95
Government Agencies	87,269.74	(1,944.22)	0.00	85,325.52
Government Bonds	19,733.78	1,785.56	0.00	21,519.34
Total	168,710.45	(7,597.64)	0.00	161,112.81

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.16	0.96	0.13
Overnight Repo	2.22	0.98	0.13
Merrill Lynch 3m US Treas Bill	2.04	0.87	0.13
Merrill Lynch 6m US Treas Bill	2.02	0.86	0.13
ML 1 Year US Treasury Note	2.06	0.86	0.13
ML 2 Year US Treasury Note	1.97	0.82	0.14
ML 5 Year US Treasury Note	1.96	0.81	0.14

* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	168,710.45
Accretion (amortization)	(7,597.64)
Realized gain (loss) on sales	0.00
Total income on portfolio	161,112.81
Average daily amortized cost	87,258,229.10
Period return (%)	0.18
YTD return (%)	2.13
Weighted average final maturity in days	735

ACTIVITY AND PERFORMANCE SUMMARY

For the period December 1, 2019 - December 31, 2019

<u>Fair Value Basis Activity Summary</u>		
Opening balance		87,863,910.69
Income received	143,896.07	
Total receipts		143,896.07
Total disbursements		0.00
Interportfolio transfers	(91,072.51)	
Total Interportfolio transfers		(91,072.51)
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		(12,971.97)
Ending fair value		87,903,762.28

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Corporate Bonds	61,706.93	6,046.11	67,753.04
Government Agencies	87,269.74	(16,209.63)	71,060.11
Government Bonds	19,733.78	(2,808.45)	16,925.33
Total	168,710.45	(12,971.97)	155,738.48

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.16	0.96	0.13
Overnight Repo	2.22	0.98	0.13
ICE BofAML 3 Months US T-BILL	2.28	1.03	0.14
ICE ML 6m US Treas Bill	2.57	1.17	0.16
ICE ML 1 Year US Treasury Note	2.93	1.15	0.18
ICE ML US Treasury 1-3	3.55	1.09	0.21
ICE ML US Treasury 1-5	4.20	1.10	0.14

* rates reflected are cumulative

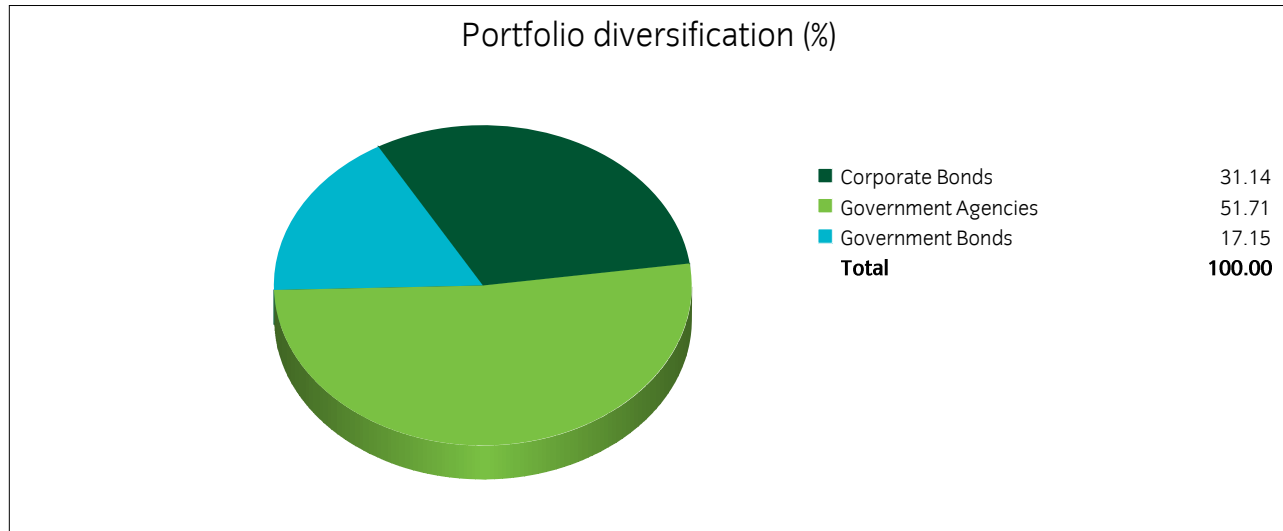
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	168,710.45
Change in fair value	(12,971.97)
Total income on portfolio	155,738.48
Average daily total value *	88,329,885.25
Period return (%)	0.18
YTD return (%)	3.32
Weighted average final maturity in days	735

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of December 31, 2019

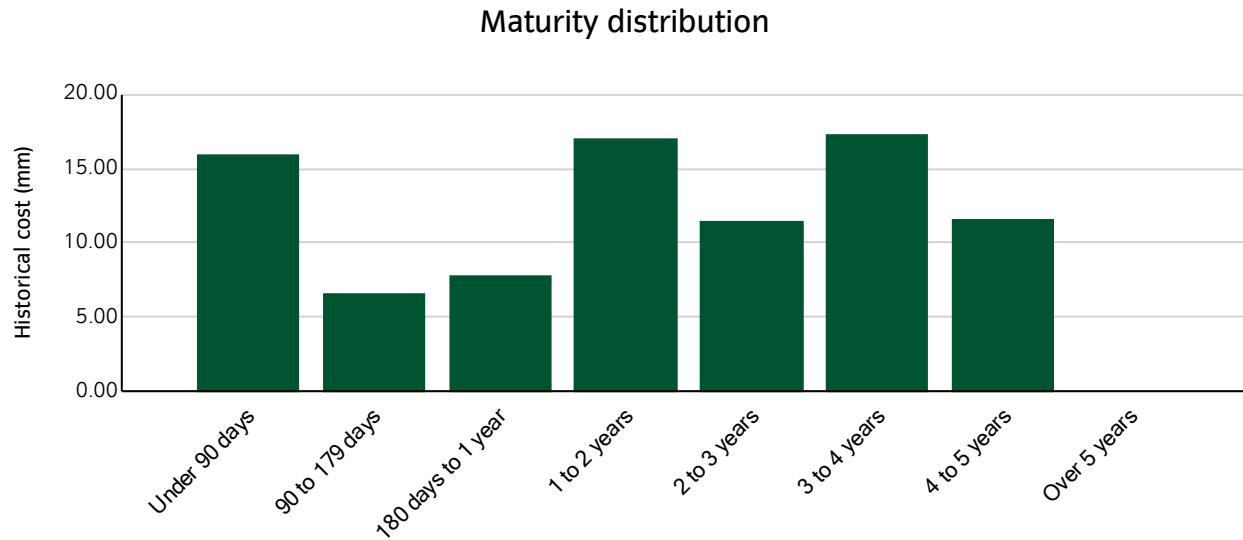
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Corporate Bonds	27,195,368.44	27,120,106.32	27,309,411.95	189,305.63	805	31.14	2.03
Government Agencies	45,156,687.79	45,180,031.64	45,514,251.66	334,220.02	661	51.71	1.73
Government Bonds	14,973,923.01	15,018,397.29	15,080,098.67	61,701.38	831	17.15	2.19
Total	87,325,979.24	87,318,535.25	87,903,762.28	585,227.03	735	100.00	1.90



MATURITY DISTRIBUTION OF SECURITIES HELD

As of December 31, 2019

Maturity	Historic cost	Percent
Under 90 days	15,929,432.36	18.24
90 to 179 days	6,483,334.16	7.42
180 days to 1 year	7,757,145.94	8.88
1 to 2 years	17,002,100.53	19.47
2 to 3 years	11,352,921.79	13.00
3 to 4 years	17,217,441.26	19.72
4 to 5 years	11,583,603.20	13.27
Over 5 years	0.00	0.00
	87,325,979.24	100.00



SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Corporate Bonds											
037833CK4 APPLE INC 1.9% 07FEB2020	1.900	02/07/2020	2,000,000.00	1,975,440.00 0.00	1,998,571.19 1,158.49	1,999,935.74 (47.16)	1,364.55	0.00	3,272.22	15,200.00	2.26
594918AY0 MICROSOFT CORP 1.85% 12FEB2020 (CALLABLE 12JAN20)	1.850	02/12/2020 01/12/2020	1,000,000.00	1,005,660.00 0.00	1,000,068.61 (171.51)	1,000,007.30 5.21	(61.31)	0.00	1,593.06	7,143.06	1.15
0258M0DT3 AMERICAN EXPRESS CREDIT 2.375% 26MAY2020 (CALLABLE 25APR20)	2.375	05/26/2020 04/25/2020	1,000,000.00	1,003,500.00 0.00	1,000,457.39 (119.31)	1,001,207.98 (353.32)	750.59	0.00	2,045.14	2,309.03	1.15
931142CU5 WALMART INC 3.625% 08JUL2020	3.625	07/08/2020	1,500,000.00	1,579,455.00 0.00	1,513,114.61 (2,092.76)	1,513,289.64 (2,494.76)	175.03	0.00	4,682.29	26,130.21	1.81
90331HNG4 US BANK NA CINCINNATI 2.05% 23OCT2020 (CALLABLE 23SEP20)	2.050	10/23/2020 09/23/2020	1,725,000.00	1,713,787.50 0.00	1,721,724.56 335.37	1,727,221.01 108.44	5,496.45	0.00	3,045.10	6,679.58	1.96
02665WCS8 AMERICAN HONDA FINANCE 3.15% 08JAN2021	3.150	01/08/2021	1,000,000.00	1,003,360.00 0.00	1,001,781.67 (145.25)	1,013,067.01 (514.02)	11,285.34	0.00	2,712.50	15,137.50	1.15
17275RBD3 CISCO SYSTEMS INC 2.2% 28FEB2021	2.200	02/28/2021	1,500,000.00	1,485,735.00 0.00	1,491,724.72 591.09	1,508,779.95 1,239.22	17,055.23	0.00	2,841.67	11,275.00	1.70
68389XBA2 ORACLE CORP 2.8% 08JUL2021	2.800	07/08/2021	1,000,000.00	1,000,360.00 0.00	1,000,225.72 (12.36)	1,015,288.35 (46.50)	15,062.63	0.00	2,411.12	13,455.56	1.15
17325FAQ1 CITIBANK NA 3.4% 23JUL2021 (CALLABLE 23JUN21)	3.400	07/23/2021 06/23/2021	1,000,000.00	1,015,040.00 0.00	1,010,794.84 (586.24)	1,021,474.88 573.81	10,680.04	0.00	2,927.78	14,922.22	1.16

SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Corporate Bonds											
191216AV2 COCA-COLA CO/THE 3.3% 01SEP2021	3.300	09/01/2021	1,000,000.00	1,014,930.00 0.00	1,009,827.96 (490.58)	1,024,784.04 (962.99)	14,956.08	0.00	2,841.67	11,000.00	1.16
17275RBJ0 CISCO SYSTEMS INC 1.85% 20SEP2021 (CALLABLE 20AUG21)	1.850	09/20/2021	1,000,000.00	978,250.00 0.00	985,342.39 709.24	1,000,684.78 714.23	15,342.39	0.00	1,593.06	5,190.28	1.12
0258M0EG0 AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	2.700	03/03/2022 01/31/2022	800,000.00	800,752.00 0.00	800,552.94 (22.12)	813,429.94 721.46	12,877.00	0.00	1,860.00	7,080.00	0.92
90331HPC1 US BANK NA CINCINNATI 2.65% 23MAY2022 (CALLABLE 22APR22)	2.650	05/23/2022 04/23/2022	1,000,000.00	1,012,470.00 0.00	1,010,201.61 (367.85)	1,018,726.56 1,068.57	8,524.95	0.00	2,281.94	2,797.22	1.16
06051GFZ7 BANK OF AMERICA CORP 2.503% 21OCT2022 (CALLABLE 21OCT21)	2.503	10/21/2022 10/21/2021	1,000,000.00	1,002,230.00 0.00	1,001,736.52 (80.02)	1,009,733.62 1,151.70	7,997.10	0.00	2,155.36	4,866.94	1.15
02665WCA7 AMERICAN HONDA FINANCE 2.6% 16NOV2022	2.600	11/16/2022	1,000,000.00	1,011,150.00 0.00	1,009,499.51 (275.08)	1,020,225.59 2,936.38	10,726.08	0.00	2,238.89	3,250.00	1.16
46625HJH4 JPMORGAN CHASE & CO 3.2% 25JAN2023	3.200	01/25/2023	1,000,000.00	1,031,190.00 0.00	1,027,462.11 (745.58)	1,032,043.78 (1,890.17)	4,581.67	0.00	2,755.56	13,866.67	1.18
369550BD9 GENERAL DYNAMICS CORP 3.375% 15MAY2023 (CALLABLE 15APR23)	3.375	05/15/2023 04/15/2023	943,000.00	984,840.91 0.00	979,323.43 (919.58)	985,337.31 (1,551.72)	6,013.88	0.00	2,740.60	4,066.69	1.13
742718EB1 PROCTER & GAMBLE CO/THE 3.1% 15AUG2023	3.100	08/15/2023	1,000,000.00	1,041,328.13 0.00	1,036,318.66 (834.91)	1,044,682.04 (4,433.87)	8,363.38	0.00	2,669.44	11,711.11	1.19

SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Corporate Bonds											
24422EUM9 JOHN DEERE CAPITAL CORP 3.65% 12OCT2023	3.650	10/12/2023	950,000.00	1,005,926.50 0.00	1,001,959.00 (1,144.47)	1,006,808.17 (987.01)	4,849.17	0.00	2,985.91	7,609.24	1.15
693475AV7 PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	3.500	01/23/2024 12/24/2023	1,000,000.00	1,047,210.00 0.00	1,042,575.16 (891.32)	1,053,199.70 273.28	10,624.54	0.00	3,013.89	15,361.11	1.20
594918BX1 MICROSOFT CORP 2.875% 06FEB2024 (CALLABLE 06DEC23)	2.875	02/06/2024 12/06/2023	960,000.00	993,734.40 0.00	990,252.00 (640.93)	996,153.47 (525.01)	5,901.47	0.00	2,376.67	11,116.67	1.14
24422EUX5 JOHN DEERE CAPITAL CORP 2.6% 07MAR2024	2.600	03/07/2024	1,450,000.00	1,476,419.00 0.00	1,474,143.99 (480.63)	1,483,304.17 3,532.22	9,160.18	0.00	3,246.39	11,938.33	1.69
693506BQ9 PPG INDUSTRIES INC 2.4% 15AUG2024 (CALLABLE 15JUL24)	2.400	08/15/2024 07/15/2024	2,000,000.00	2,012,600.00 (16,133.33)	2,012,447.73 (152.27)	2,020,026.92 7,426.92	7,579.19	0.00	2,000.00	18,133.33	2.30
Total Corporate Bonds			26,828,000.00	27,195,368.44 (16,133.33)	27,120,106.32 (7,378.58)	27,309,411.95 5,944.91	189,305.63	0.00	60,290.26	240,239.75	31.14
Government Agencies											
3133ECEY6 FEDERAL FARM CREDIT BANK 1.45% 11FEB2020	1.450	02/11/2020	2,000,000.00	2,004,900.00 0.00	2,000,172.00 (125.86)	1,999,682.92 520.66	(489.08)	0.00	2,497.22	11,277.78	2.30
3134GAXC3 FREDDIE MAC 1.25% 28FEB2020 CALLABLE	1.250	02/28/2020	1,500,000.00	1,487,625.00 0.00	1,499,386.54 317.31	1,498,986.53 271.43	(400.01)	0.00	1,614.58	6,406.25	1.70
3130A12B3 FEDERAL HOME LOAN BANK 2.125% 13MAR2020	2.125	03/13/2020	3,000,000.00	2,976,160.95 0.00	2,996,141.35 1,585.75	3,002,459.85 (972.42)	6,318.50	0.00	5,489.58	19,125.00	3.41

SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Agencies											
3134G3K58 FREDDIE MAC 1.5% 19MAR2020 CALLABLE	1.500	03/19/2020	2,000,000.00	1,976,400.00 0.00	1,997,637.01 897.34	1,999,246.02 (157.42)	1,609.01	0.00	2,583.33	8,500.00	2.26
3133EJPV5 FEDERAL FARM CREDIT BANK 2.54% 23MAR2020	2.540	03/23/2020	2,000,000.00	1,999,116.00 0.00	1,999,885.18 41.51	2,005,055.88 (840.70)	5,170.70	0.00	4,374.45	13,828.89	2.29
3136FT5H8 FANNIE MAE 2% 27MAR2020 CALLABLE	2.000	03/27/2020	1,000,000.00	1,011,747.60 0.00	1,001,124.36 (387.71)	1,000,863.77 (260.56)	(260.59)	0.00	1,722.22	5,222.22	1.16
3134G8TY5 FREDDIE MAC 1.42% 30MAR2020 CALLABLE	1.420	03/30/2020	1,000,000.00	997,456.66 0.00	999,749.01 83.66	999,458.05 (64.29)	(290.96)	0.00	1,183.33	3,550.00	1.14
3133EJME6 FEDERAL FARM CREDIT BANK 2.5% 27APR2020	2.500	04/27/2020	2,000,000.00	1,996,440.00 0.00	1,999,376.47 159.88	2,006,452.62 (655.52)	7,076.15	0.00	4,305.56	8,888.89	2.29
313370U55 FEDERAL HOME LOAN BANK 2.875% 11SEP2020	2.875	09/11/2020	1,500,000.00	1,500,675.00 0.00	1,500,239.30 (28.60)	1,510,890.98 (3,068.43)	10,651.68	0.00	3,713.54	13,177.08	1.72
3136G0K75 FANNIE MAE 1.625% 09OCT2020 CALLABLE	1.625	10/09/2020	2,000,000.00	1,973,580.00 0.00	1,992,546.84 801.42	1,999,391.18 809.54	6,844.34	0.00	2,798.61	7,402.78	2.26
3133EKAJ5 FEDERAL FARM CREDIT BANK 2.5% 11FEB2021	2.500	02/11/2021	2,000,000.00	1,998,760.00 0.00	1,999,309.39 51.67	2,020,465.02 (621.80)	21,155.63	0.00	4,305.55	19,444.44	2.29
3130A0XD7 FEDERAL HOME LOAN BANK 2.375% 12MAR2021	2.375	03/12/2021	2,500,000.00	2,493,802.58 0.00	2,496,250.30 260.40	2,521,517.40 (665.25)	25,267.10	0.00	5,112.85	17,977.43	2.86
313373ZY1 FEDERAL HOME LOAN BANK 3.625% 11JUN2021	3.625	06/11/2021	2,000,000.00	2,048,660.00 0.00	2,030,056.94 (1,730.73)	2,057,216.30 (1,689.42)	27,159.36	36,250.00	6,243.06	4,027.78	2.35

SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Agencies											
3130AADV7 FEDERAL HOME LOAN BANK 2% 03DEC2021 #0000	2.000	12/03/2021	1,000,000.00	984,560.00 0.00	989,499.59 454.57	1,007,299.61 677.45	17,800.02	10,000.00	1,722.23	1,555.56	1.13
3135G0U92 FANNIE MAE 2.625% 11JAN2022	2.625	01/11/2022	2,000,000.00	2,004,368.00 0.00	2,003,040.96 (124.80)	2,040,468.74 484.70	37,427.78	0.00	4,520.84	24,791.67	2.30
313378WG2 FEDERAL HOME LOAN BANK 2.5% 11MAR2022	2.500	03/11/2022	2,000,000.00	2,019,700.00 0.00	2,015,571.26 (570.16)	2,037,542.76 344.18	21,971.50	0.00	4,305.56	15,277.78	2.31
313379Q69 FEDERAL HOME LOAN BANK 2.125% 10JUN2022	2.125	06/10/2022	1,000,000.00	994,870.00 0.00	995,968.31 132.72	1,011,519.00 253.65	15,550.69	10,625.00	1,829.86	1,239.58	1.14
313380GJ0 FEDERAL HOME LOAN BANK 2% 09SEP2022 #0000	2.000	09/09/2022	1,000,000.00	995,020.00 0.00	995,934.61 125.87	1,010,917.33 2,103.14	14,982.72	0.00	1,722.22	6,222.22	1.14
3130A3KM5 FEDERAL HOME LOAN BANK 2.5% 09DEC2022	2.500	12/09/2022	1,500,000.00	1,531,815.00 0.00	1,526,975.25 (764.17)	1,537,237.47 1,069.09	10,262.22	18,750.00	3,229.17	2,291.67	1.75
3133EKKT2 FEDERAL FARM CREDIT BANK 2.25% 08FEB2023	2.250	02/08/2023	1,500,000.00	1,520,580.00 0.00	1,517,590.55 (472.02)	1,528,043.45 (147.13)	10,452.90	0.00	2,906.25	13,406.25	1.74
3135G0U43 FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	2,000,000.00	2,081,960.00 0.00	2,071,964.88 (1,620.83)	2,087,714.22 (981.10)	15,749.34	0.00	4,951.39	17,409.72	2.38
3133EKVB9 FEDERAL FARM CREDIT BANK 1.86% 17OCT2023	1.860	10/17/2023	2,000,000.00	1,993,956.00 0.00	1,994,575.08 119.05	2,016,253.56 (1,657.18)	21,678.48	0.00	3,203.34	7,646.67	2.28
3133EKKU9 FEDERAL FARM CREDIT BANK 2.3% 08NOV2023	2.300	11/08/2023	1,500,000.00	1,524,645.00 0.00	1,521,677.60 (468.54)	1,536,855.08 (1,767.90)	15,177.48	0.00	2,970.84	5,079.17	1.75

SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Agencies											
3130AB3H7 FEDERAL HOME LOAN BANK 2.375% 08MAR2024	2.375	03/08/2024	2,000,000.00	2,045,380.00 0.00	2,040,421.17 (804.13)	2,058,847.24 (487.14)	18,426.07	0.00	4,090.28	14,909.72	2.34
3133EKNX0 FEDERAL FARM CREDIT BANK 2.16% 03JUN2024	2.160	06/03/2024	1,000,000.00	1,012,070.00 0.00	1,010,814.12 (203.66)	1,017,586.58 (5,272.93)	6,772.46	10,800.00	1,860.00	1,680.00	1.16
3135GOV75 FANNIE MAE 1.75% 02JUL2024	1.750	07/02/2024	2,000,000.00	1,982,440.00 0.00	1,984,123.57 293.65	2,002,280.10 (3,882.22)	18,156.53	0.00	3,013.88	16,819.44	2.27
Total Government Agencies			45,000,000.00	45,156,687.79 0.00	45,180,031.64 (1,976.41)	45,514,251.66 (16,657.57)	334,220.02	86,425.00	86,269.74	267,157.99	51.71
Government Bonds											
912828H52 USA TREASURY 1.25% 31JAN2020	1.250	01/31/2020	1,500,000.00	1,492,382.81 0.00	1,499,796.09 203.92	1,499,517.53 559.07	(278.56)	0.00	1,579.49	7,795.52	1.71
912828UV0 USA TREASURY 1.125% 31MAR2020	1.125	03/31/2020	1,500,000.00	1,485,468.75 0.00	1,498,685.54 447.78	1,498,007.82 703.14	(677.72)	0.00	1,429.30	4,241.80	1.70
912828XE5 USA TREASURY 1.5% 31MAY2020	1.500	05/31/2020	1,000,000.00	1,000,468.75 0.00	1,000,068.97 (14.07)	999,448.33 307.71	(620.64)	7,500.00	1,270.49	1,270.49	1.15
912828Q2 USA TREASURY 1.5% 15AUG2020	1.500	08/15/2020	1,000,000.00	989,648.44 0.00	997,581.81 328.79	999,218.75 390.63	1,636.94	0.00	1,263.59	5,625.00	1.13
912828WN6 USA TREASURY 2% 31MAY2021	2.000	05/31/2021	2,000,000.00	1,976,412.95 0.00	1,985,585.69 864.30	2,011,015.62 1,718.74	25,429.93	20,000.00	3,387.98	3,387.98	2.26
912828W55 USA TREASURY 1.875% 28FEB2022	1.875	02/28/2022	1,000,000.00	982,776.79 0.00	987,686.57 483.18	1,006,132.81 703.12	18,446.24	0.00	1,596.84	6,284.34	1.13

SECURITIES HELD

As of December 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Bonds											
912828S35 USA TREASURY 1.375% 30JUN2023	1.375	06/30/2023	1,000,000.00	984,492.19 0.00	986,482.27 328.15	991,289.06 (703.13)	4,806.79	6,875.00	1,158.29	0.00	1.13
912828Y61 USA TREASURY 2.75% 31JUL2023	2.750	07/31/2023	1,000,000.00	1,040,468.75 0.00	1,039,065.04 (925.85)	1,038,437.50 (1,523.44)	(627.54)	0.00	2,316.57	11,433.42	1.19
912828D1 USA TREASURY 1.375% 31AUG2023	1.375	08/31/2023	2,000,000.00	1,967,109.38 0.00	1,971,158.78 667.72	1,981,562.50 (1,562.50)	10,403.72	0.00	2,342.03	9,217.03	2.25
912828V23 USA TREASURY 2.25% 31DEC2023	2.250	12/31/2023	1,000,000.00	1,019,261.16 0.00	1,017,117.13 (363.19)	1,022,773.44 (1,992.18)	5,656.31	11,250.00	1,895.38	0.00	1.17
9128286R6 USA TREASURY 2.25% 30APR2024	2.250	04/30/2024	1,000,000.00	1,023,050.23 (3,770.60)	1,023,035.67 (14.56)	1,024,062.50 1,012.27	1,026.83	0.00	0.00	3,770.60	1.17
912828U3 USA TREASURY 1.875% 31AUG2024	1.875	08/31/2024	1,000,000.00	1,012,382.81 0.00	1,012,133.73 (220.61)	1,008,632.81 (2,421.88)	(3,500.92)	0.00	1,493.82	6,284.34	1.16
Total Government Bonds			15,000,000.00	14,973,923.01 (3,770.60)	15,018,397.29 1,785.56	15,080,098.67 (2,808.45)	61,701.38	45,625.00	19,733.78	59,310.52	17.15
Grand total			86,828,000.00	87,325,979.24 (19,903.93)	87,318,535.25 (7,569.43)	87,903,762.28 (13,521.11)	585,227.03	132,050.00	166,293.78	566,708.26	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Federal Home Loan Banks												
3130A12B3	FEDERAL HOME LOAN	2.125	03/13/2020		AA+	Aaa	3,000,000.00	2,976,160.95	3.41	3,002,459.85	3.42	0.20
313370US5	FEDERAL HOME LOAN	2.875	09/11/2020		AA+	Aaa	1,500,000.00	1,500,675.00	1.72	1,510,890.98	1.72	0.68
3130A0XD7	FEDERAL HOME LOAN	2.375	03/12/2021		AA+	Aaa	2,500,000.00	2,493,802.58	2.86	2,521,517.40	2.87	1.17
313373ZY1	FEDERAL HOME LOAN	3.625	06/11/2021		AA+	Aaa	2,000,000.00	2,048,660.00	2.35	2,057,216.30	2.34	1.41
3130AADV7	FEDERAL HOME LOAN	2.000	12/03/2021		AA+	Aaa	1,000,000.00	984,560.00	1.13	1,007,299.61	1.15	1.88
313378WG2	FEDERAL HOME LOAN	2.500	03/11/2022		AA+	Aaa	2,000,000.00	2,019,700.00	2.31	2,037,542.76	2.32	2.11
313379Q69	FEDERAL HOME LOAN	2.125	06/10/2022		AA+	Aaa	1,000,000.00	994,870.00	1.14	1,011,519.00	1.15	2.37
313380GJ0	FEDERAL HOME LOAN	2.000	09/09/2022		AA+	Aaa	1,000,000.00	995,020.00	1.14	1,010,917.33	1.15	2.59
3130A3KM5	FEDERAL HOME LOAN	2.500	12/09/2022		AA+	Aaa	1,500,000.00	1,531,815.00	1.75	1,537,237.47	1.75	2.82
3130AB3H7	FEDERAL HOME LOAN	2.375	03/08/2024		AA+	Aaa	2,000,000.00	2,045,380.00	2.34	2,058,847.24	2.34	3.95
Issuer total							17,500,000.00	17,590,643.53	20.14	17,755,447.94	20.20	1.75
United States Treasury Note/Bond												
912828H52	USA TREASURY 1.25%	1.250	01/31/2020		AA+	Aaa	1,500,000.00	1,492,382.81	1.71	1,499,517.53	1.71	0.08
912828UV0	USA TREASURY 1.125%	1.125	03/31/2020		AA+	Aaa	1,500,000.00	1,485,468.75	1.70	1,498,007.82	1.70	0.25
912828XE5	USA TREASURY 1.5%	1.500	05/31/2020		AA+	Aaa	1,000,000.00	1,000,468.75	1.15	999,448.33	1.14	0.41
9128282Q2	USA TREASURY 1.5%	1.500	08/15/2020		AA+	Aaa	1,000,000.00	989,648.44	1.13	999,218.75	1.14	0.62
912828WN6	USA TREASURY 2%	2.000	05/31/2021		AA+	Aaa	2,000,000.00	1,976,412.95	2.26	2,011,015.62	2.29	1.39
912828W55	USA TREASURY 1.875%	1.875	02/28/2022		AA+	Aaa	1,000,000.00	982,776.79	1.13	1,006,132.81	1.14	2.10
912828S35	USA TREASURY 1.375%	1.375	06/30/2023		AA+	Aaa	1,000,000.00	984,492.19	1.13	991,289.06	1.13	3.40
912828Y61	USA TREASURY 2.75%	2.750	07/31/2023		AA+	Aaa	1,000,000.00	1,040,468.75	1.19	1,038,437.50	1.18	3.37
9128282D1	USA TREASURY 1.375%	1.375	08/31/2023		AA+	Aaa	2,000,000.00	1,967,109.38	2.25	1,981,562.50	2.25	3.54
912828V23	USA TREASURY 2.25%	2.250	12/31/2023		AA+	Aaa	1,000,000.00	1,019,261.16	1.17	1,022,773.44	1.16	3.82
9128286R6	USA TREASURY 2.25%	2.250	04/30/2024		AA+	Aaa	1,000,000.00	1,023,050.23	1.17	1,024,062.50	1.16	4.11

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
United States Treasury Note/Bond												
9128282U3	USA TREASURY 1.875%	1.875	08/31/2024		AA+	Aaa	1,000,000.00	1,012,382.81	1.16	1,008,632.81	1.15	4.43
Issuer total							15,000,000.00	14,973,923.01	17.15	15,080,098.67	17.16	2.19
Federal Farm Credit Banks Funding Corp												
3133ECEY6	FEDERAL FARM CREDIT	1.450	02/11/2020		AA+	Aaa	2,000,000.00	2,004,900.00	2.30	1,999,682.92	2.27	0.11
3133EJPV5	FEDERAL FARM CREDIT	2.540	03/23/2020		AA+	Aaa	2,000,000.00	1,999,116.00	2.29	2,005,055.88	2.28	0.23
3133EJME6	FEDERAL FARM CREDIT	2.500	04/27/2020		AA+	Aaa	2,000,000.00	1,996,440.00	2.29	2,006,452.62	2.28	0.32
3133EKAJ5	FEDERAL FARM CREDIT	2.500	02/11/2021		AA+	Aaa	2,000,000.00	1,998,760.00	2.29	2,020,465.02	2.30	1.09
3133EKKT2	FEDERAL FARM CREDIT	2.250	02/08/2023		AA+	Aaa	1,500,000.00	1,520,580.00	1.74	1,528,043.45	1.74	2.97
3133EKVB9	FEDERAL FARM CREDIT	1.860	10/17/2023		AA+	Aaa	2,000,000.00	1,993,956.00	2.28	2,016,253.56	2.29	3.64
3133EKKU9	FEDERAL FARM CREDIT	2.300	11/08/2023		AA+	Aaa	1,500,000.00	1,524,645.00	1.75	1,536,855.08	1.75	3.68
3133EKNX0	FEDERAL FARM CREDIT	2.160	06/03/2024		AA+	Aaa	1,000,000.00	1,012,070.00	1.16	1,017,586.58	1.16	4.21
Issuer total							14,000,000.00	14,050,467.00	16.09	14,130,395.11	16.07	1.79
Federal National Mortgage Association												
3136FT5H8	FANNIE MAE 2%	2.000	03/27/2020		AA+	Aaa	1,000,000.00	1,011,747.60	1.16	1,000,863.77	1.14	0.24
3136G0K75	FANNIE MAE 1.625%	1.625	10/09/2020		AA+	Aaa	2,000,000.00	1,973,580.00	2.26	1,999,391.18	2.27	0.76
3135G0U92	FANNIE MAE 2.625%	2.625	01/11/2022		AA+	Aaa	2,000,000.00	2,004,368.00	2.30	2,040,468.74	2.32	1.95
3135G0U43	FANNIE MAE 2.875%	2.875	09/12/2023		AA+	Aaa	2,000,000.00	2,081,960.00	2.38	2,087,714.22	2.37	3.48
3135G0V75	FANNIE MAE 1.75%	1.750	07/02/2024		AA+	Aaa	2,000,000.00	1,982,440.00	2.27	2,002,280.10	2.28	4.28
Issuer total							9,000,000.00	9,054,095.60	10.37	9,130,718.01	10.39	2.36
Federal Home Loan Mortgage Corp												
3134GAXC3	FREDDIE MAC 1.25%	1.250	02/28/2020		AA+	Aaa	1,500,000.00	1,487,625.00	1.70	1,498,986.53	1.71	0.16
3134G3K58	FREDDIE MAC 1.5%	1.500	03/19/2020		AA+	Aaa	2,000,000.00	1,976,400.00	2.26	1,999,246.02	2.27	0.22

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Federal Home Loan Mortgage Corp												
3134G8TY5	FREDDIE MAC 1.42%	1.420	03/30/2020		AA+	Aaa	1,000,000.00	997,456.66	1.14	999,458.05	1.14	0.25
Issuer total							4,500,000.00	4,461,481.66	5.11	4,497,690.60	5.12	0.21
US Bank NA/Cincinnati OH												
90331HNG4	US BANK NA CINCINNATI	2.050	10/23/2020	09/23/2020	AA-	A1	1,725,000.00	1,713,787.50	1.96	1,727,221.01	1.96	0.75
90331HPC1	US BANK NA CINCINNATI	2.650	05/23/2022	04/23/2022	AA-	A1	1,000,000.00	1,012,470.00	1.16	1,018,726.56	1.16	2.24
Issuer total							2,725,000.00	2,726,257.50	3.12	2,745,947.57	3.12	1.30
Cisco Systems Inc												
17275RBD3	CISCO SYSTEMS INC 2.2%	2.200	02/28/2021		AA-	A1	1,500,000.00	1,485,735.00	1.70	1,508,779.95	1.72	1.13
17275RBJ0	CISCO SYSTEMS INC	1.850	09/20/2021		AA-	A1	1,000,000.00	978,250.00	1.12	1,000,684.78	1.14	1.63
Issuer total							2,500,000.00	2,463,985.00	2.82	2,509,464.73	2.85	1.33
John Deere Capital Corp												
24422EUM9	JOHN DEERE CAPITAL	3.650	10/12/2023		A	A2	950,000.00	1,005,926.50	1.15	1,006,808.17	1.15	3.51
24422EUX5	JOHN DEERE CAPITAL	2.600	03/07/2024		A	A2	1,450,000.00	1,476,419.00	1.69	1,483,304.17	1.69	3.92
Issuer total							2,400,000.00	2,482,345.50	2.84	2,490,112.34	2.83	3.75
American Honda Finance Corp												
02665WCS8	AMERICAN HONDA	3.150	01/08/2021		A	A2	1,000,000.00	1,003,360.00	1.15	1,013,067.01	1.15	0.99
02665WCA7	AMERICAN HONDA	2.600	11/16/2022		A	A2	1,000,000.00	1,011,150.00	1.16	1,020,225.59	1.16	2.76
Issuer total							2,000,000.00	2,014,510.00	2.31	2,033,292.60	2.31	1.88
PPG Industries Inc												
693506BQ9	PPG INDUSTRIES INC 2.4%	2.400	08/15/2024	07/15/2024	A-	A3	2,000,000.00	2,012,600.00	2.30	2,020,026.92	2.30	4.28
Issuer total							2,000,000.00	2,012,600.00	2.30	2,020,026.92	2.30	4.28

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Apple Inc												
037833CK4	APPLE INC 1.9%	1.900	02/07/2020		AA+	Aa1	2,000,000.00	1,975,440.00	2.26	1,999,935.74	2.28	0.10
Issuer total							2,000,000.00	1,975,440.00	2.26	1,999,935.74	2.28	0.10
Microsoft Corp												
594918AY0	MICROSOFT CORP 1.85%	1.850	02/12/2020	01/12/2020	AAA	Aaa	1,000,000.00	1,005,660.00	1.15	1,000,007.30	1.14	0.11
594918BX1	MICROSOFT CORP 2.875%	2.875	02/06/2024	12/06/2023	AAA	Aaa	960,000.00	993,734.40	1.14	996,153.47	1.13	3.72
Issuer total							1,960,000.00	1,999,394.40	2.29	1,996,160.77	2.27	1.90
American Express Credit Corp												
0258M0DT3	AMERICAN EXPRESS	2.375	05/26/2020	04/25/2020	A-	A2	1,000,000.00	1,003,500.00	1.15	1,001,207.98	1.14	0.33
0258M0EG0	AMERICAN EXPRESS	2.700	03/03/2022	01/31/2022	A-	A2	800,000.00	800,752.00	0.92	813,429.94	0.93	2.02
Issuer total							1,800,000.00	1,804,252.00	2.07	1,814,637.92	2.06	1.08
Walmart Inc												
931142CU5	WALMART INC 3.625%	3.625	07/08/2020		AA	Aa2	1,500,000.00	1,579,455.00	1.81	1,513,289.64	1.72	0.51
Issuer total							1,500,000.00	1,579,455.00	1.81	1,513,289.64	1.72	0.51
PNC Financial Services Group Inc/The												
693475AV7	PNC FINANCIAL	3.500	01/23/2024	12/24/2023	A-	A3	1,000,000.00	1,047,210.00	1.20	1,053,199.70	1.20	3.68
Issuer total							1,000,000.00	1,047,210.00	1.20	1,053,199.70	1.20	3.68
Procter & Gamble Co/The												
742718EB1	PROCTER & GAMBLE	3.100	08/15/2023		AA-	Aa3	1,000,000.00	1,041,328.13	1.19	1,044,682.04	1.19	3.39
Issuer total							1,000,000.00	1,041,328.13	1.19	1,044,682.04	1.19	3.39
JPMorgan Chase & Co												
46625HJH4	JPMORGAN CHASE & CO	3.200	01/25/2023		A-	A2	1,000,000.00	1,031,190.00	1.18	1,032,043.78	1.17	2.88
Issuer total							1,000,000.00	1,031,190.00	1.18	1,032,043.78	1.17	2.88

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Coca-Cola Co/The												
191216AV2	COCA-COLA CO/THE 3.3%	3.300	09/01/2021		A+	A1	1,000,000.00	1,014,930.00	1.16	1,024,784.04	1.17	1.61
Issuer total							1,000,000.00	1,014,930.00	1.16	1,024,784.04	1.17	1.61
Citibank NA												
17325FAQ1	CITIBANK NA 3.4%	3.400	07/23/2021	06/23/2021	A+	Aa3	1,000,000.00	1,015,040.00	1.16	1,021,474.88	1.16	1.42
Issuer total							1,000,000.00	1,015,040.00	1.16	1,021,474.88	1.16	1.42
Oracle Corp												
68389XBA2	ORACLE CORP 2.8%	2.800	07/08/2021		A+	A1	1,000,000.00	1,000,360.00	1.15	1,015,288.35	1.15	1.47
Issuer total							1,000,000.00	1,000,360.00	1.15	1,015,288.35	1.15	1.47
Bank of America Corp												
06051GFZ7	BANK OF AMERICA CORP	2.503	10/21/2022	10/21/2021	A-	A2	1,000,000.00	1,002,230.00	1.15	1,009,733.62	1.15	1.97
Issuer total							1,000,000.00	1,002,230.00	1.15	1,009,733.62	1.15	1.97
General Dynamics Corp												
369550BD9	GENERAL DYNAMICS	3.375	05/15/2023	04/15/2023	A+	A2	943,000.00	984,840.91	1.13	985,337.31	1.12	3.11
Issuer total							943,000.00	984,840.91	1.13	985,337.31	1.12	3.11
Grand total							86,828,000.00	87,325,979.24	100.00	87,903,762.28	100.00	1.90

SECURITIES PURCHASED

For the period December 1, 2019 - December 31, 2019

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
Corporate Bonds							
693506BQ9	12/11/2019	2.400	08/15/2024	2,000,000.00	100.63	(2,012,600.00)	(16,133.33)
PPG INDUSTRIES INC 2.4% 15AUG2024 (CALLABLE 15JUL24) JEFFERIES LLC.	12/16/2019		07/15/2024				
Total Corporate Bonds				2,000,000.00		(2,012,600.00)	(16,133.33)
Government Bonds							
9128286R6	12/30/2019	2.250	04/30/2024	1,000,000.00	102.31	(1,023,050.23)	(3,770.60)
USA TREASURY 2.25% 30APR2024 BNP PARIBAS PARIS	12/31/2019						
Total Government Bonds				1,000,000.00		(1,023,050.23)	(3,770.60)
Grand total				3,000,000.00		(3,035,650.23)	(19,903.93)

SECURITIES SOLD AND MATURED

For the period December 1, 2019 - December 31, 2019

Cusip/ Description/ Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity /Accr (amort)	Price	Fair value at sale or maturity / Chg.in fair value	Realized gain (loss)	Accrued interest sold	Interest received	Interest earned
Corporate Bonds												
717081EB5 PFIZER INC 1.7% 12-15-2019	12/16/2019 12/16/2019	1.700		(2,000,000.00)	2,003,600.00	2,000,000.00 (60.40)	0.00	2,000,000.00 101.20	0.00	0.00	17,000.00	1,416.67
Total (Corporate Bonds)				(2,000,000.00)	2,003,600.00	2,000,000.00 (60.40)		2,000,000.00 101.20	0.00	0.00	17,000.00	1,416.67
Government Agencies												
3136G4DA8 FANNIE MAE 1.2% 30DEC2019 CALLABLE #0001	12/30/2019 12/30/2019	1.200		(1,000,000.00)	998,750.00	1,000,000.00 32.19	0.00	1,000,000.00 447.94	0.00	0.00	6,000.00	1,000.00
Total (Government Agencies)				(1,000,000.00)	998,750.00	1,000,000.00 32.19		1,000,000.00 447.94	0.00	0.00	6,000.00	1,000.00
Government Bonds												
9128283H1 UTD STATES TREAS 1.75% 11-30-2019	12/02/2019 12/02/2019	1.750		(1,000,000.00)	991,953.13	1,000,000.00 0.00	0.00	1,000,000.00 0.00	0.00	0.00	8,750.00	0.00
Total (Government Bonds)				(1,000,000.00)	991,953.13	1,000,000.00 0.00		1,000,000.00 0.00	0.00	0.00	8,750.00	0.00
Grand total				(4,000,000.00)	3,994,303.13	4,000,000.00 (28.21)		4,000,000.00 549.14	0.00	0.00	31,750.00	2,416.67

TRANSACTION REPORT

For the period December 1, 2019 - December 31, 2019

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
11/30/2019 11/30/2019	9128283H1	Income	Government Bonds	UTD STATES TREAS 1.75%	11/30/2019	1,000,000.00	0.00	0.00	8,750.00	8,750.00
11/30/2019 11/30/2019	912828WN6	Income	Government Bonds	USA TREASURY 2% 31MAY2021	05/31/2021	2,000,000.00	0.00	0.00	20,000.00	20,000.00
11/30/2019 11/30/2019	912828XE5	Income	Government Bonds	USA TREASURY 1.5%	05/31/2020	1,000,000.00	0.00	0.00	7,500.00	7,500.00
12/02/2019 12/02/2019	9128283H1	Capital Change	Government Bonds	UTD STATES TREAS 1.75%	11/30/2019	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
12/03/2019 12/03/2019	3130AADV7	Income	Government Agencies	FEDERAL HOME LOAN BANK 2%	12/03/2021	1,000,000.00	0.00	0.00	10,000.00	10,000.00
12/03/2019 12/03/2019	3133EKNX0	Income	Government Agencies	FEDERAL FARM CREDIT BANK	06/03/2024	1,000,000.00	0.00	0.00	10,800.00	10,800.00
12/09/2019 12/09/2019	3130A3KM5	Income	Government Agencies	FEDERAL HOME LOAN BANK	12/09/2022	1,500,000.00	0.00	0.00	18,750.00	18,750.00
12/10/2019 12/10/2019	313379Q69	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/10/2022	1,000,000.00	0.00	0.00	10,625.00	10,625.00
12/11/2019 12/11/2019	313373ZY1	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/11/2021	2,000,000.00	0.00	0.00	36,250.00	36,250.00
12/11/2019 12/16/2019	693506BQ9	Bought	Corporate Bonds	PPG INDUSTRIES INC 2.4%	08/15/2024	2,000,000.00	0.00	(2,012,600.00)	(16,133.33)	(2,028,733.33)
12/15/2019 12/15/2019	717081EB5	Income	Corporate Bonds	PFIZER INC 1.7% 12-15-2019	12/15/2019	2,000,000.00	0.00	0.00	17,000.00	17,000.00
12/16/2019 12/16/2019	717081EB5	Capital Change	Corporate Bonds	PFIZER INC 1.7% 12-15-2019	12/15/2019	(2,000,000.00)	0.00	2,000,000.00	0.00	2,000,000.00
12/30/2019 12/30/2019	3136G4DA8	Income	Government Agencies	FANNIE MAE 1.2% 30DEC2019	12/30/2019	1,000,000.00	0.00	0.00	6,000.00	6,000.00
12/30/2019 12/30/2019	3136G4DA8	Capital Change	Government Agencies	FANNIE MAE 1.2% 30DEC2019	12/30/2019	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
12/30/2019 12/31/2019	9128286R6	Bought	Government Bonds	USA TREASURY 2.25%	04/30/2024	1,000,000.00	0.00	(1,023,050.23)	(3,770.60)	(1,026,820.83)
12/31/2019 12/31/2019	912828S35	Income	Government Bonds	USA TREASURY 1.375%	06/30/2023	1,000,000.00	0.00	0.00	6,875.00	6,875.00
12/31/2019 12/31/2019	912828V23	Income	Government Bonds	USA TREASURY 2.25%	12/31/2023	1,000,000.00	0.00	0.00	11,250.00	11,250.00

ADDITIONAL INFORMATION

As of December 31, 2019

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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INA is an investment adviser registered with the Securities and Exchange Commission (SEC), under the Investment Advisers Act of 1940, as amended. Registration with the SEC does not imply a certain level of skill or training. You may request, without charge, additional information about Insight. Moreover, specific information relating to Insights strategies, including investment advisory fees, may be obtained from INA's Form ADV Part 2A, which is available without charge upon request.

Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

Unless otherwise stated, the source of information is Insight. Any forecasts or opinions are Insights own at the date of this document (or as otherwise specified) and may change. Material in this publication is for general information only and is not advice, investment advice, or the recommendation of any purchase or sale of any security. Insight makes no implied or expressed recommendations concerning the manner in which an account should or would be handled, as appropriate investment strategies depend upon specific investment guidelines and objectives and should not be construed to be an assurance that any particular security in a strategy will remain in any fund, account, or strategy, or that a previously held security will not be repurchased. It should not be assumed that any of the security transactions or holdings referenced herein have been or will prove to be profitable or that future investment decisions will be profitable or will equal or exceed the past investment performance of the securities listed.

Please compare the information provided in this statement to the information provided in the statement received from your Custodian.

For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moodys, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moodys and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategys holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

ADDITIONAL INFORMATION

As of December 31, 2019

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

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Industry Concentration Report - City of Menlo Park								
December 31, 2019								
Cusip/Id	Description	Industry	Moody Rating	S&P Rating	Par	% Portfolio	% Industry	
02665WCA7	AMERICAN HONDA FINANCE 2.6% 16NOV2022	Automotive	A2	A	\$ 1,000,000	1%		
02665WCS8	AMERICAN HONDA FINANCE 3.15% 08JAN2021	Automotive	A2	A	\$ 1,000,000	1%	2%	
90331HPC1	US BANK NA CINCINNATI 2.65% 23MAY2022 (CALLABLE 22APR22)	Banking	A1	AA-	\$ 1,000,000	1%		
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	Banking	A2	A-	\$ 800,000	1%		
06051GFZ7	BANK OF AMERICA CORP 2.503% 21OCT2022 (CALLABLE 21OCT21)	Banking	A2	A-	\$ 1,000,000	1%		
90331HNG4	US BANK NA CINCINNATI 2.05% 23OCT2020 (CALLABLE 23SEP20)	Banking	A1	AA-	\$ 1,725,000	2%		
693475AV7	PNC BANK NA 1.45% 23JAN2024 CALLABLE	Banking	A2	A	\$ 1,000,000	1%		
17325FAQ1	CITIBANK NA 3.4% 23JUL2021 (CALLABLE 23JUN21)	Banking	Aa3	A+	\$ 1,000,000	1%		
46625HJH4	JPMORGAN CHASE & CO 3.2% 25JAN2023	Banking	A2	A-	\$ 1,000,000	1%		
0258M0DT3	AMERICAN EXPRESS CREDIT 2.375% 26MAY2020 (CALLABLE 25APR20)	Banking	A2	A-	\$ 1,000,000	1%	10%	
191216AV2	COCA-COLA CO/THE 3.3% 01SEP2021	Food and Beverage	A1	A+	\$ 1,000,000	1%	1%	
24422EUM9	JOHN DEERE CAPITAL CORP 3.65% 12OCT2023	Machinery	A2	A	\$ 950,000	1%		
24422EUX5	JOHN DEERE CAPITAL CORP 2.6% 07MAR2024	Machinery	A2	A	\$ 1,450,000	2%	3%	
742718EB1	PROCTER & GAMBLE CORP 3.1% 15AUG2023	Consumer Products	Aa3	AA-	\$ 1,000,000	1%	1%	
693506BQ(PPG INDUSTRIES INC 2.4% 15AUG2024	Chemicals	A3	A-	\$ 2,000,000	2%	2%	
931142CU5	WALMART INC 3.625% 08JUL2020	Retailers	Aa2	AA	\$ 1,500,000	2%	2%	
369550BD9	GENERAL DYNAMICS 3.375% 15MAY2023	Aerospace	A2	A+	\$ 943,000	1%	1%	
17275RBD3	CISCO SYSTEMS INC 2.2% 28FEB2021	Technology	A1	AA-	\$ 1,500,000	2%		
68389XBA2	ORACLE CORP 2.8% 08JUL2021	Technology	A1	AA-	\$ 1,000,000	1%		
037833CK4	APPLE INC 1.9% 07FEB2020	Technology	Aa1	AA+	\$ 2,000,000	2%		
17275RBJ0	CISCO SYSTEMS INC 1.85% 20SEP2021 (CALLABLE 20AUG21)	Technology	A1	AA-	\$ 1,000,000	1%		
594918BX1	MICROSOFT CORP 2.875% 02FEB2024 (CALLABLE 06DEC23)	Technology	Aaa	AAA	\$ 960,000	1%		
594918AY0	MICROSOFT CORP 1.85% 12FEB2020 (CALLABLE 12JAN20)	Technology	Aaa	AAA	\$ 1,000,000	1%	9%	
					Corporate	\$ 26,828,000	31%	
					Total Portfolio	\$ 86,828,000		



STAFF REPORT

City Council

Meeting Date: 3/26/2020

Staff Report Number: 20-062-CC

Informational Item: City Council agenda topics: April 2020 to June 2020

Recommendation

The purpose of this informational item is to provide the City Council and members of the public access to the anticipated agenda items that will be presented to the City Council. The mayor and city manager set the City Council agenda so there is no action required of the City Council as a result of this informational item.

Policy Issues

In accordance with the City Council procedures manual, the mayor and city manager set the agenda for City Council meetings.

Analysis

In an effort to provide greater access to the City Council's future agenda items, staff has compiled a listing of anticipated agenda items, Attachment A, through June 9. The topics are arranged by department to help identify the work group most impacted by the agenda item.

Specific dates are not provided in the attachment due to a number of factors that influence the City Council agenda preparation process. In their agenda management, the mayor and city manager strive to compile an agenda that is most responsive to the City Council's adopted priorities and work plan while also balancing the business needs of the organization. Certain agenda items, such as appeals or State mandated reporting, must be scheduled by a certain date to ensure compliance. In addition, the meeting agendas are managed to allow the greatest opportunity for public input while also allowing the meeting to conclude around 11 p.m. Every effort is made to avoid scheduling two matters that may be contentious to allow the City Council sufficient time to fully discuss the matter before the City Council.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. City Council agenda topics: April 2020 to June 2020

Report prepared by:
Judi A. Herren, City Clerk

Tentative City Council Agenda

#	Title	Department	Item type
1	City attorney recruitment	Closed Session	ASD
2	Amendments to city-wide salary schedule, management benefit plan	Regular	ASD
3	Approve contract for city attorney services	Regular	ASD
4	City manager's proposed budget for fiscal year 2020-21, executive summary	Regular	ASD
5	Finance and Audit Committee, update	Committee Report	ASD
6	Investment portfolio review as of March 31, 2020, receive and file	Consent	ASD
7	Labor negotiations	Closed Session	ASD
8	Pension liability	Presentation	ASD
9	Proposed 2020-21 budget	Study Session	ASD
10	Proposed fiscal year 2020-21 budget and capital improvement plan	Public Hearing	ASD
11	Quarterly financial review of general fund operations as of March 31, 2020, receive and file	Consent	ASD
12	Safe storage ordinance, second reading and adoption	Consent	CA
13	11 Greenwood Place subdivision variance ordinance, first reading	Regular	CDD
14	Newsrack regulations ordinance, second reading and adoption	Consent	CDD
15	Short term rental regulation recommendation	Regular	CDD
16	Tenant relocation assistance program - amendment recommendation	Consent	CDD
17	Planning Commission interviews	Interviews	CMO
18	2020 priorities and work plan, adoption	Regular	CMO
19	Arbor Day proclamation	Proclamation	CMO
20	City Council agenda topics: June 23 2020 – August 11 2020	Informational	CMO
21	City Council agenda topics: June 9 2020 – July 28 2020	Informational	CMO
22	City Council agenda topics: May 12 2020 – June 23 2020	Informational	CMO

Tentative City Council Agenda

#	Title	Department	Item type
23	City Council agenda topics: May 26 2020 – July 14 2020	Informational	CMO
24	Climate action plan 2.0	Study Session	CMO
25	Climate action plan 2.0, adoption	Regular	CMO
26	Community electronic vehicle infrastructure policy and program analysis	Study Session	CMO
27	Consider applicants and make appointments to fill vacancies on the various City commissions and committees	Committee Report	CMO
28	EQC work plan report, approval	Consent	CMO
29	Foodware ordinance (zero waste plan)	Study Session	CMO
30	Len Materman proclamation	Proclamation	CMO
31	Minutes: 3/10 and 3/24	Consent	CMO
32	Minutes: 4/14 and 4/21	Consent	CMO
33	Minutes: 5/12	Consent	CMO
34	Records retention schuelde adoption, resolution	Consent	CMO
35	Reusable food ware ordinance, introduction and first reading	Regular	CMO
36	Review and establish City Council sub-committee for records retention scheudle update	Regular	CMO
37	Solid waste ordinance update, second reading and adoption	Consent	CMO
38	Solid waste ordinance, introduction and first reading	Regular	CMO
39	Approval of a pilot public art program	Regular	CSD
40	Youth poetry contest awards ceremony	Presentation	LIB
41	Proclamation in recognition of Mental Health Awareness Month	Presentation	LIB
42	Automated license plate readers (ALPR), annual report	Informational	PD
43	Tasers, annual report	Informational	PD
44	Agreement with EKI Environmental and Water for 2020 urban water management plan	Consent	PW

Tentative City Council Agenda

#	Title	Department	Item type
45	Agreement with XXX for police records counter remodel	Consent	PW
46	Closed Session: Real property negotiations; Purchase & sale agreement for 700-800 ECR (Middle crossing)	Closed Session	PW
47	Five-year water rates for Menlo Park Municipal Water, resolution adoption	Public Hearing	PW
48	List of projects eligible for fiscal year 2020-21 funds from SB 1, resolution adoption	Consent	PW
49	Purchase and sale agreement for 700-800 El Camino Real	Consent	PW
50	Update on San Francisquito Creek JPA projects	Regular	PW
51	Willows neighborhood turn restrictions, resolution adoption	Regular	PW



STAFF REPORT

City Council

Meeting Date: 3/26/2020

Staff Report Number: 20-053-CC

Informational Item: City Council and commission/committee annual attendance report for March 2019 – February 2020

Recommendation

This is an informational item and does not require City Council action.

Policy Issues

City Council policy requires an annual attendance report (Attachment A) for each commission/committee and the City Council.

Background

For advisory bodies to function effectively and accomplish their respective goals and work plans, it is important that all members be active participants by attending the regularly scheduled monthly or quarterly commission meetings.

In accordance with City Council policy CC 19-004 (Attachment B,) a report regarding advisory body attendance annually in March reflecting data for the previous 12 months. This data is collected from the meeting minutes of each commission/committee and the City Council.

Analysis

Before the posting of a meeting agenda, staff liaisons communicate with their respective commission members, to ensure a quorum will be met in order to properly conduct the commission meeting. In most cases, commissioners advise the staff liaison in advance of their absence and typically, absences are due to pre-planned vacations or scheduled work travel and are considered reasonable. Overall, commission liaisons have reported the absences do not have a significant impact on discussion or deliberation of agenda items.

Because the City places a high value on the work of the commissions and strives to provide sufficient support to all commissioners in order to facilitate their work, removal from a commission appointment is rarely recommended and instead staff liaisons prefer to reach out to the commissioners falling in the 67 percent or below category to determine the reasons for the absences and assess the ability to continue in their commission service.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it proposes an organizational structure change that will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. The attendance report and policy update were also shared with each commission.

Attachments

- A. Attendance data for each advisory body
- B. CC-19-004 Commissions/Committees policies and procedures, roles and responsibilities

Report prepared by:
Judi A. Herren, City Clerk

CITY COUNCIL					Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Second and fourth Tuesdays of the month					2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020
Sworn in	Total no. of meetings	Total meetings attended	Percentage attended													
Carlton, Catherine	12/13/2016	35	33	94.29%	3	2	3	3	2	2	2	3	3	4	4	2
Combs, Drew	12/11/2018	35	35	100.00%	3	2	4	3	2	2	3	3	3	4	4	2
Mueller, Ray	12/13/2016	35	35	100.00%	3	2	4	3	2	2	3	3	3	4	4	2
Nash, Betsy	12/11/2018	35	35	100.00%	3	2	4	3	2	2	3	3	3	4	4	2
Taylor, Cecilia	12/11/2018	35	34	97.14%	3	2	4	3	2	2	2	3	3	4	4	2

- 3/5/19 Carlton called in
- 3/12/19 Carlton called in
- 5/7/19 Mueller called in
- 5/7/19 Carlton arrived at 6:51 p.m.
- 5/7/19 Combs excused at 6:56 p.m.
- 5/14/19 Carlton absent
- 6/11/19 Carlton called in
- 6/18/19 Carlton called in
- 8/27/19 Carlton called in
- 8/27/19 Carlton excused at 9:22 p.m.
- 9/3/19 Carlton absent
- 9/24/19 Taylor absent
- 9/24/19 Combs excused at 8:28 p.m.
- 10/15/19 Mueller excused at 10:05 p.m.
- 10/29/19 Mueller called in
- 10/29/19 Mueller arrived at 7:08 p.m.
- 10/29/19 Mueller arrived at 7:08 p.m.
- 2/11/20 Carlton called in
- 2/25/20 Mueller excused at 7:57 p.m.

COMPLETE STREETS						Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Second Wednesday of the month	Appointed	Re-appointed	Total no. of meetings	Total meetings attended	Percentage attended	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020
Behroozi, Katie	5/3/2016		11	10	90.91%	1	1	1		1	1	1	1	1	1	1	
Cebrian, Jacquie	4/16/2019		9	7	77.78%	*	*	1			1	1	1	1	1		1
Cromie, John	4/16/2019		9	7	77.78%	*	*	1		1		1	1	1		1	1
Goldin, Evan	1/29/2019		10	9	90.00%	1	1	1		1		1	1	1	1	1	*
Kirsch, William	5/7/2013	5/16/2017	11	9	81.82%	1	1	1			1	1	1	1	1		1
Lee, Lydia	5/6/2014	4/24/2018	11	8	72.73%	1		1		1		1	1	1	1		1
Levin, Adina	4/16/2013	5/6/2014 & 4/24/2018	11	10	90.91%	1		1		1	1	1	1	1	1	1	1
Mazzara, Philip	5/7/2013	5/6/2014 & 4/24/2018	1	0	0.00%		*	*		*	*	*	*	*	*	*	*
Meyer, Michael	8/20/2013	5/16/2017	11	8	72.73%		1	1		1		1	1		1	1	1
Walser, Bianca	11/15/2011	5/5/2015	2	2	100.00%	1	1	*		*	*	*	*	*	*	*	*
Weiner, Jonathan	6/3/2014	5/3/2016	11	10	90.91%	1	1	1			1	1	1	1	1	1	1

* not on commission

3/13/19 Mazzara absent

3/13/19 Meyer absent

4/10/19 Lee absent

4/10/19 Levin absent

6/13/19 meeting canceled

7/10/19 Cebrian absent

7/10/19 Kirsch absent

7/10/19 Weiner absent

8/14/19 Cromie absent

8/14/19 Goldin absent

8/14/19 Lee absent

8/14/19 Meyer absent

10/9/19 Levin arrived at 8:03 p.m.

11/13/19 Meyer absent

11/13/19 Cromie arrived at 7:08 p.m.

11/13/19 Levin arrived at 7:13 p.m.

12/11/19 Cromie absent

1/9/20 Goldin resigned

1/8/20 Cebrian absent

1/8/20 Kirsch absent

1/8/20 Lee absent

2/12/20 Behroozi absent

ENVIRONMENTAL QUALITY						Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Third Wednesday of the month	Appointed	Re-appointed	Total no. of meetings	Total meetings attended	Percentage attended	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020
						Gaillard, Josie	4/16/2019		8	7	87.50%	*	*	1	1	1	
Kabat, Tom	4/24/2018		10	8	80.00%	1	1	1	1			1	1			1	1
London, Janelle	5/3/2016		10	7	70.00%	1	1	1	1	1			1			1	
Marshall, Scott	1/24/2012	5/5/2015	2	2	100.00%	1	1	*	*	*		*	*		*	*	*
Martin, Deborah	6/22/2013	5/16/2017	10	6	60.00%	1	1	1				1	1			1	
Payne, James	4/24/2018		10	9	90.00%	1	1	1	1	1		1	1			1	1
Price, Ryann	4/24/2018		10	7	70.00%	1	1	1	1			1	1			1	
Turley, Rebecca	1/29/2019	4/16/2019	10	9	90.00%	1	1	1	1	1		1	1			1	1

* not on commission

4/17/19 Martin excused at 8:13 p.m.

4/17/19 Price arrived at 6:25 p.m.

5/15/19 Martin excused at 8:26 p.m.

5/15/19 Turley arrived at 5:24 p.m.

6/19/19 Martin absent

7/17/19 Kabat absent

7/17/19 Martin absent

7/17/19 Price absent

8/21/19 meeting cancelled

9/18/19 London absent

10/16/19 Martin excused at 7:45 p.m.

10/16/19 Price arrived at 6:18 p.m.

1/20/20 Martin excused at 4:54 p.m.

2/19/20 London absent

2/19/20 Martin absent

2/19/20 Price absent

FINANCE AND AUDIT						Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
January, April, July, and October	Appointed	Re-appointed	Total no. of meetings	Total meetings attended	Percentage attended	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020
Combs, Drew	12/18/2018	12/18/2019	4	3	75.00%								1			1	1
Maguire, Shaun	7/16/2019		4	3	75.00%					1			1			1	
Mueller, Ray	12/12/2017	12/18/2019	4	4	100.00%					1			1			1	1
Royse, Roger	4/24/2018		4	4	100.00%					1			1			1	1
Shepherd, Ron	5/16/2017	4/16/2019	4	4	100.00%					1			1			1	1
Tronson, Soody	10/13/2015	5/3/2016 & 4/30/2018	4	4	100.00%					1			1			1	1
Westcott, Brian	5/7/2019	4/16/2019	4	2	50.00%					1			1				

* not on committee

4/17/19 meeting canceled

7/17/19 Combs absent

10/16/19 Combs arrived at 5:39 p.m.

10/16/19 Combs excused at 6:34 p.m.

10/16/19 Mueller arrived at 7 p.m.

10/16/19 Royse arrived at 5:32 p.m.

1/15/20 Combs arrived at 5:35 p.m.

1/15/20 Royse excused at 6:27 p.m.

1/15/20 Westcott absent

2/4/20 Combs excused at 5:38 p.m.

2/4/20 Maguire absent

2/4/20 Westcott absent

HOUSING			Total no. of meetings	Total meetings attended	Percentage attended	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
Second	Wednesday of the month	Appointed Re-appointed															
Bigelow, Lauren	4/16/2019		6	5	83.33%	*	*			1	1	1		1		1	
Conroy, Curtis	4/16/2019		6	6	100.00%	*	*			1	1	1		1		1	1
Dodick, Julianna	2/14/2012	5/5/2015	2	2	100.00%	1	1			*	*	*		*		*	*
Grove, Karen	7/18/2017		8	8	100.00%	1	1			1	1	1		1		1	1
Horst, Rachel	4/24/2018		8	8	100.00%	1	1			1	1	1		1		1	1
McGraw-Scherer, Meg	5/6/2016		8	4	50.00%	1					1			1		1	
McPherson, Wendy	4/24/2018		8	6	75.00%	1	1				1	1		1			1
Merriman, Nevada	5/16/2017		8	8	100.00%	1	1			1	1	1		1		1	1
Tate, Michele	12/10/2013	5/16/2017	2	1	50.00%		1			*	*	*		*		*	*

* not on commission

3/6/19 Tate absent

4/3/19 McGraw-Scherer absent

6/5/19 meeting cancelled

7/3/19 meeting cancelled

7/10/19 McPherson absent

7/10/19 McGraw-Scherer absent

8/7/19 Merriman absent

9/4/19 meeting cancelled

9/25/19 McGraw-Scherer absent

9/25/19 Bigelow arrived at 6:37 p.m.

10/2/19 meeting cancelled

12/4/19 meeting cancelled

1/1/20 meeting cancelled

1/8/20 McGraw-Scherer arrived at 6:42 p.m.

1/8/20 McPherson absent

2/5/20 Merriman arrived at 6:45 p.m.

2/5/20 Bigelow absent

2/5/20 McGraw-Scherer absent

LIBRARY						Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Third Monday of the Month	Appointed	Re-appointed	Total no. of meetings	Total meetings attended	Percentage attended	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020	
Bugna, Ester	5/16/2017		2	1	50.00%	1		*	*	*		*	*	*		*	
Chambers, Ashley	4/24/2018		9	7	77.78%	1		1	1			1	1	1		1	
Cohen, Alan	4/24/2018		9	4	44.44%	1	1					1		1			
Ernhart, David	4/16/2019		7	6	85.71%	*	*		1	1		1	1	1		1	
Hadrovic, Katie	4/24/2018		9	8	88.89%	1	1	1	1	1		1		1		1	
Leep, Kristen	5/12/2015	4/30/2019	9	6	66.67%	1	1	1				1	1			1	
Lemons, Kristina	5/12/2015	4/30/2019	9	6	66.67%			1	1	1		1	1			1	
Pandey, Noopur	4/24/2018		8	5	62.50%	1	1		1	1			1			*	

* not on commission

- 3/18/19 Lemons absent
- 4/15 Bugna absent
- 4/15 Chambers absent
- 4/15 Lemons absent
- 5/20 Cohen absent
- 5/20/19 Erhart absent
- 5/20/19 Pandey absent
- 6/17/19 Cohen absent
- 6/17/19 Leep absent
- 7/15/19 Chambers absent
- 7/15/19 Cohen absent
- 7/15/19 Leep absent
- 8/19/19 meeting cancelled
- 9/16/19 Panday absent
- 10/21/19 Leep arrived at 6:36
- 10/21/19 Cohen absent
- 10/21/19 Hadrovic absent
- 11/18/19 Leep absent
- 11/18/19 Lemons absent
- 11/18/19 Pandey absent
- 12/16/19 meeting cancelled
- 1/25/20 Pandey resigned
- 1/27/20 Cohen absent
- 2/24/20 cancelled

PARKS AND RECREATION			Total no. of meetings	Total meetings attended	Percentage attended	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Fourth Wednesday of the month	Appointed	Re-appointed				2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020
Baskin, Jennifer	5/3/2016		11	10	90.91%	1	1	1	1	1	1		1	1	1		1
Bentley, Robert	4/16/2019		2	1	50.00%	*	*	1		*	*		*	*	*	*	*
Bryman, Marc	4/16/2019		9	7	77.78%	*	*	1	1		1		1	1		1	1
Diepenbrock, Peter	10/15/2019		4	4	100.00%	*	*	*	*	*	*		*	1	1	1	1
Harris, Christopher	1/28/2014	5/16/2017	11	8	72.73%	1		1	1	1			1	1	1	1	
Johnson, Jennifer	5/3/2016		11	10	90.91%	1	1	1	1	1	1		1		1	1	1
Lane, Laura	5/5/2015		2	2	100.00%	1	1	*	*	*	*		*	*	*	*	*
Palefsky, Marianne	4/16/2013	5/5/2015	2	1	50.00%	1		*	*	*	*		*	*	*	*	*
Payne, Dana	4/24/2018		11	9	81.82%	1	1		1	1	1		1		1	1	1
Staley Shenk, Sarah	5/16/2017		11	7	63.64%	1		1	1				1	1		1	1

* not on commission

4/24/19 Harris absent

4/24/19 Palefsky, absent

4/24/19 Staley Shenk absent

5/22/19 Payne absent

6/26/19 Bentley absent

7/23/19 Bentley resigned

7/24/19 Bryman absent

7/24/19 Staley Shenk absent

8/28/19 Harris absent

8/28/19 Staley Shenk absent

9/25/19 meeting cancelled

11/20/19 Johnson absent

11/20/19 Payne absent

11/20/19 Baskin arrived at 6:39 p.m.

12/18/19 Bryman and Staley Shenk absent

1/22/20 Baskin absent

2/26/20 Harris absent

2/26/20 Payne arrived at 6:40 p.m.

PLANNING			Total no. of meetings	Total meetings attended	Percentage attended	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Twice a month on Mondays (varies)						2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Appointed	Re-appointed																
Barnes, Andrew	5/3/2016		24	24	100.00%	2	2	2	2	2	2	2	2	2	2	2	2
DeCardy, Chris	4/16/2019		20	17	85.00%	*	*	2	1	2	2	2	1	1	2	2	2
Doran, Michael	1/29/2019		24	22	91.67%	2	2	2	1	2	2	1	2	2	2	2	2
Goodhue, Susan	5/12/2015		4	3	75.00%	1	2	*	*	*	*	*	*	*	*	*	*
Kahle, Larry	10/15/2019		10	9	90.00%	*	*	*	*	*	*	*	1	2	2	2	2
Kennedy, Camille	4/24/2018		24	16	66.67%	1	1	2	1	1	1	2	1	2	1	2	1
Onken, John	10/9/2012	5/5/2015	4	3	75.00%	2	1	*	*	*	*	*	*	*	*	*	*
Riggs, Henry	5/3/2016		24	23	95.83%	2	2	2	1	2	2	2	2	2	2	2	2
Strehl, Katherine	4/30/2013	5/16/2017	12	6	50.00%	2			2	1	1	*	*	*	*	*	*
Tate, Michele	4/16/2019		20	15	75.00%	*	*	2	1	2	1	2	1	2	1	2	1

* not on commission

- 3/11/19 Kennedy absent
- 3/25/19 Goodhue absent
- 4/8/19 Strehl excused absence
- 4/8/19 Kennedy absent
- 4/8/19 Onken absent
- 4/29/19 Strehl excused absence
- 5/6/19 Strehl excused absence
- 5/20/19 Strehl excused absence
- 6/3/19 Kennedy absent
- 6/3/19 Riggs absent
- 6/3/19 Tate absent
- 6/24/19 DeCardy absent
- 6/29/19 Doran absent
- 6/29/19 Riggs arrived at 7:05 p.m.
- 7/15/19 meeting cancelled
- 7/22/19 Kennedy absent
- 7/29/19 Strehl absent
- 8/10/19 Strehl resigned
- 8/12/19 Kennedy absent
- 8/12/19 Tate absent
- 8/26/19 Riggs arrived at 7:04 p.m.
- 9/23/19 Doran absent
- 10/7/19 DeCardy absent
- 10/21 Kennedy absent
- 10/21 Tate absent
- 11/4/19 DeCardy absent
- 12/9/19 Tate absent
- 12/16/19 Kennedy absent
- 1/13/20 Tate arrived at 7:03 p.m.
- 2/10/20 Riggs arrived at 7:36 p.m.
- 2/10/20 Kennedy absent
- 2/24/20 Tate absent

SISTER CITY						Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
May, August, and November	Appointed	Re-appointed	Total no. of meetings	Total meetings attended	Percentage attended	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020
Carlton, Catherine	12/12/2017		5	4	80.00%					1		1		1			1
Clendenin, Jym	4/30/2016		5	3	60.00%			1						1			1
Combs, Drew	1/29/2019		4	1	25.00%					1							*
Gilmer, Brian	4/16/2019		5	4	80.00%			1		1		1					1
Holch, Kristy	4/30/2016		5	5	100.00%			1		1		1		1			1
Soffer, Stuart	1/29/2019		5	1	20.00%					1							
Taylor, Cecilia	12/17/2019		1	1	100.00%			*		*		*		*			1
Yang, George	10/30/2017		5	5	100.00%			1		1		1		1			1

* not on committee

5/15/19 Carlton absent

5/15/19 Combs absent

5/15/19 Soffer absent

7/24/19 Combs arrived at 3:10 p.m.

7/24/19 Soffer arrived at 3:49 p.m.

7/24/19 Clendenin absent

9/11/19 Clendenin absent

9/11/19 Combs absent

9/11/19 Soffer absent

11/12/19 Combs absent

11/12/19 Gilmer absent

11/12/19 Soffer absent

2/26/20 Soffer absent

TRANSPORTATION MASTER PLAN OVERSIGHT AND OUTREACH COMMITTEE					Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
As needed	Appointed	Total no. of meetings	Total meetings attended	Percentage attended												
Bailey, Diane	8/29/2017	2	2	100.00%	1	1										
Barnes, Andrew	8/29/2017	2	2	100.00%	1	1										
Carlton, Catherine	8/29/2017	2	1	50.00%	1	*										
Cebrian, Jacqueline	8/29/2017	2	2	100.00%	1	1										
DeCardy, Chris	8/29/2017	2	2	100.00%	1	1										
Keith, Kirsten	8/29/2017	2	1	50.00%	1	*										
Levin, Adina	8/29/2017	2	2	100.00%	1	1										
Mueller, Ray	12/17/2019	2	1	50.00%	*	1										
Nash, Betsy	12/17/2019	2	1	50.00%	*	1										
Riggs, Henry	8/29/2017	2	1	50.00%	1											
Staley Shenk, Sarah	8/29/2017	2	1	50.00%	1											
Strehl, Katherine	8/29/2017	2	1	50.00%	1											
Wolosin, Jen	8/29/2017	2	2	100.00%	1	1										

* not on commission

4/23/19 Riggs absent

4/23/19 Strehl, absent

4/23/19 Staley Shenk absent

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Procedure #CC-19-004

Effective 6/5/2019

Resolution No. 6477



<p>Purpose</p>
<p>To define policies and procedures and roles and responsibilities for Menlo Park appointed commissions and committees.</p>
<p>Authority</p>
<p>Upon its original adoption, this policy replaced the document known as “Organization of Advisory Commissions of the City of Menlo Park.”</p>
<p>Background</p>
<p>The City of Menlo Park currently has eight active Commissions and Committees. The active advisory bodies are: Complete Streets Commission, Environmental Quality Commission, Finance and Audit Committee, Housing Commission, Library Commission, Parks and Recreation Commission, Planning Commission, and the Sister City Committee. Those not specified in the City Code are established by City Council ordinance or resolution. Most of these advisory bodies are established in accordance with Resolution 2801 and its amendments. Within specific areas of responsibility, each advisory body has a primary role of advising the City Council on policy matters or reviewing specific issues and carrying out assignments as directed by the City Council or prescribed by law.</p> <p>Seven of the eight commissions and committees listed above are advisory in nature. The Planning Commission is both advisory and regulatory and organized according to the City Code (Ch. 2.12) and State statute (Government Code 65100 et seq., 65300-65401).</p> <p>The City has an adopted Anti-Harassment and Non-Discrimination Policy (CC-95-001), and a Travel and Expense Policy (CC-91-002), which are also applicable to all advisory bodies.</p>
<p>Policies and Procedures</p>
<p><u>Relationship to City Council, staff and media</u></p> <ul style="list-style-type: none"> • Upon referral by the City Council, the commission/committee shall study referred matters and return their recommendations and advise to the City Council. With each such referral, the City Council may authorize the City staff to provide certain designated services to aid in the study. • Upon its own initiative, the commission/committee shall identify and raise issues to the City Council's attention and from time to time explore pertinent matters and make recommendations to the City Council. • At a request of a member of the public, the commission/committee may consider appeals from City actions or inactions in pertinent areas and, if deemed appropriate, report and make recommendations to the City Council. • Each commission/committee is required to develop an annual work plan which will be the foundation for the work performed by the advisory body in support of City Council. The plan, once finalized by a majority of the commission/committee, will be formally presented to the City Council for direction and approval no later than September 30 of each year and then reported out on by a representative of the advisory body at a regularly scheduled City Council meeting at least annually, but recommended twice a year. The proposed work plan must align with the City Council's adopted work plan. When modified, the work plan must be taken to the City Council for approval. The Planning Commission is exempt from this requirement as its functions are governed by the Menlo Park municipal code (Chapter 2.12) and State law (Government Code 65100 et seq., 65300-65401). • Commissions and committees shall not become involved in the administrative or operational matters of City departments. Members may not direct staff to initiate major programs, conduct large studies or establish department policy. City staff assigned to furnish staff services shall be available to provide general staff assistance, such as preparation of agenda/notice materials and minutes, general review of

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

2

department programs and activities, and to perform limited studies, program reviews, and other services of a general staff nature. Commissions/Committees may not establish department work programs or determine department program priorities. The responsibility for setting policy and allocating scarce City resources rests with the City's duly elected representatives, the City Council.

- Additional or other staff support may be provided upon a formal request to the City Council.
- The staff liaison shall act as the commission/committee's lead representative to the media concerning matters before the commission/committee. Commission/Committee members should refer all media inquiries to their respective liaisons for response. Personal opinions and comments may be expressed so long as the commission/committee member clarifies that his or her statements do not represent the position of the City Council.
- Commission/Committee members will have mandatory training every two years regarding the Brown Act and parliamentary procedures, anti-harassment training, ethics training, and other training required by the City Council or State Law. The commission/committee members may have the opportunity for additional training, such as training for chair and vice chair. Failure to comply with the mandatory training will be reported to the City Council and may result in replacement of the member by the City Council.
- Requests from commission/committee member(s) determined by the staff liaison to take one hour or more of staff time to complete, must be directed by the City Council.

Role of City Council commission/committee liaison

City Councilmembers are assigned to serve in a liaison capacity with one or more city commission/committee. The purpose of the liaison assignment is to facilitate communication between the City Council and the advisory body. The liaison also helps to increase the City Council's familiarity with the membership, programs and issues of the advisory body. In fulfilling their liaison assignment, City Councilmembers may elect to attend commission/committee meetings periodically to observe the activities of the advisory body or simply maintain communication with the commission/committee chair on a regular basis.

City Councilmembers should be sensitive to the fact that they are not participating members of the commission/committee, but are there rather to create a linkage between the City Council and commission/committee. In interacting with commissions/committee, City Councilmembers are to reflect the views of the City Council as a body. Being a commission/committee liaison bestows no special right with respect to commission/committee business.

Typically, assignments to commission/committee liaison positions are made at the beginning of a City Council term in December. The Mayor will ask City Councilmembers which liaison assignments they desire and will submit recommendations to the full City Council regarding the various committees, boards, and commissions which City Councilmembers will represent as a liaison. In the rare instance where more than one City Councilmember wishes to be the appointed liaison to a particular commission, a vote of the City Council will be taken to confirm appointments.

City Staff Liaison

The City has designated staff to act as a liaison between the commission/committee and the City Council. The City shall provide staff services to the commission/committee which will include:

- Developing a rapport with the Chair and commission/committee members.
- Providing a schedule of meetings to the City Clerk's Office and commission/committee members, arranging meeting locations, maintaining the minutes and other public records of the meeting, and preparing and distributing appropriate information related to the meeting agenda.
- Advising the commission/committee on directions and priorities of the City Council.
- Informing the commission/committee of events, activities, policies, programs, etc. occurring within the scope of the commission/committee's function.
- Ensuring the City Clerk is informed of all vacancies, expired terms, changes in offices, or any other changes to the commission/committee.

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

3

- Providing information to the appropriate appointed official including reports, actions, and recommendations of the committee/commission and notifying them of noncompliance by the commission/committee or chair with City policies.
- Ensuring that agenda items approved by the commission/committee are brought forth in a timely manner taking into consideration staff capacity, City Council priorities, the commission/committee work plan, and other practical matters such as the expense to conduct research or prepare studies, provided appropriate public notification, and otherwise properly prepare the item for commission/committee consideration.
- Take action minutes; upon agreement of the commission, this task may be performed by one of the members (staff is still responsible for the accuracy and formatting of the minutes).
- Maintain a minute book with signed minutes.

Recommendations, requests and reports

As needed, near the beginning of City Council meetings, there will be an item called "Commission/Committee Reports." At this time, commissions/committees may present recommendations or status reports and may request direction and support from the City Council. Such requests shall be communicated to the staff liaison in advance, including any written materials, so that they may be listed on the agenda and distributed with the agenda packet. The materials being provided to the City Council must be approved by a majority of the commission/committee at a commission/committee meeting before submittal to the City Council. The City Council will receive such reports and recommendations and, after suitable study and discussion, respond or give direction.

City Council referrals

The City Clerk shall transmit to the designated staff liaison all referrals and requests from the City Council for advice and recommendations. The commissions/committees shall expeditiously consider and act on all referrals and requests made by the City Council and shall submit reports and recommendations to the City Council on these assignments.

Public appearance of commission/committee members

When a commission/committee member appears in a non-official, non-representative capacity before the public, for example, at a City Council meeting, the member shall indicate that he or she is speaking only as an individual. This also applies when interacting with the media and on social media. If the commission/committee member appears as the representative of an applicant or a member of the public, the Political Reform Act may govern this appearance. In addition, in certain circumstances, due process considerations might apply to make a commission/committee member's appearance inappropriate. Conversely, when a member who is present at a City Council meeting is asked to address the City Council on a matter, the member should represent the viewpoint of the particular commission/committee as a whole (not a personal opinion).

Disbanding of advisory body

Upon recommendation by the Chair or appropriate staff, any standing or special advisory body, established by the City Council and whose members were appointed by the City Council, may be declared disbanded due to lack of business, by majority vote of the City Council.

Meetings and officers

1. *Agendas/notices/minutes*

- All meetings shall be open and public and shall conduct business through published agendas, public notices and minutes and follow all of the Brown Act provisions governing public meetings. Special, canceled and adjourned meetings may be called when needed, subject to the Brown Act provisions.
- Support staff for each commission/committee shall be responsible for properly noticing and posting all regular, special, canceled and adjourned meetings. Copies of all meeting agendas, notices and minutes shall be provided to the City Council, City Manager, City Attorney, City Clerk and other

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

4

appropriate staff, as requested.

- Original agendas and minutes shall be filed and maintained by support staff in accordance with the City's adopted records retention schedule.
- The official record of the commissions/committees will be preserved by preparation of action minutes.

2. *Conduct and parliamentary procedures*

- Unless otherwise specified by State law or City regulations, conduct of all meetings shall generally follow Robert's Rules of Order.
- A majority of commission/committee members shall constitute a quorum and a quorum must be seated before official action is taken.
- The chair of each commission/committee shall preside at all meetings and the vice chair shall assume the duties of the chair when the chair is absent.
- The role of the commission/committee chair (according to Roberts Rules of Order): To open the session at the time at which the assembly is to meet, by taking the chair and calling the members to order; to announce the business before the assembly in the order in which it is to be acted upon; to recognize members entitled to the floor; to state and put to vote all questions which are regularly moved, or necessarily arise in the course of the proceedings, and to announce the result of the vote; to protect the assembly from annoyance from evidently frivolous or dilatory motions by refusing to recognize them; to assist in the expediting of business in every compatible with the rights of the members, as by allowing brief remarks when undebatable motions are pending, if s/he thinks it advisable; to restrain the members when engaged in debate, within the rules of order, to enforce on all occasions the observance of order and decorum among the members, deciding all questions of order (subject to an appeal to the assembly by any two members) unless when in doubt he prefers to submit the question for the decision of the assembly; to inform the assembly when necessary, or when referred to for the purpose, on a point of order to practice pertinent to pending business; to authenticate by his/her signature, when necessary, all the acts, orders, and proceedings of the assembly declaring it will and in all things obeying its commands.

3. *Lack of a quorum*

- When a lack of a quorum exists at the start time of a meeting, those present will wait 15 minutes for additional members to arrive. If after 15 minutes a quorum is still not present, the meeting will be adjourned by the staff liaison due to lack of a quorum. Once the meeting is adjourned it cannot be reconvened.
- The public is not allowed to address those commissioners present during the 15 minutes the commission/committee is waiting for additional members to arrive.
- Staff can make announcements to the members during this time but must follow up with an email to all members of the body conveying the same information.
- All other items shall not be discussed with the members present as it is best to make the report when there is a quorum present.

4. *Meeting locations and dates*

- Meetings shall be held in designated City facilities, as noticed.
- All commissions/committees with the exception of the Planning Commission, Finance and Audit Committee and Sister City Committee shall conduct regular meetings once a month. Special meetings may also be scheduled as required by the commission/committee. The Planning Commission shall hold regular meetings twice a month. The Finance and Audit Committee and Sister City Committee shall hold quarterly meetings.
- Monthly regular meetings shall have a fixed date and time established by the commission/committee. Changes to the established regular dates and times are subject to the approval of the City Council. An exception to this rule would include any changes necessitated to fill a temporary need in order for the commission/committee to conduct its meeting in a most efficient and effective way as long as proper and adequate notification is provided to the City Council and made available to the public.

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

5

The schedule of Commission/Committee meetings is as follows:

- Complete Streets Commission – Every second Wednesday at 7 p.m.
- Environmental Quality Commission – Every third Wednesday at 6:00 p.m.
- Finance and Audit Committee – Third Wednesday of every quarter at 5:30 p.m.,
- Housing Commission – Every first Wednesday at 6:30 p.m.
- Library Commission – Every third Monday at 6:30 p.m.
- Parks and Recreation Commission – Every fourth Wednesday at 6:30 p.m.
- Planning Commission – Twice a month at 7 p.m.
- Sister City Committee – Quarterly; Date and time to be determined

Each commission/committee may establish other operational policies subject to the approval of the City Council. Any changes to the established policies and procedures shall be subject to the approval of the City Council.

5. *Off-premises meeting participation*

While technology allows commission/committee members to participate in meetings from a location other than the meeting location (referred to as “off-premises”), off-premises participation is discouraged given the logistics required to ensure compliance with the Brown Act and experience with technological failures disrupting the meeting. In the event that a commission/committee member believes that his or her participation is essential to a meeting, the following shall apply:.

- Any commission/committee member intending to participate from an off-premise location shall inform the staff liaison at least two weeks in advance of the meeting.
- The off-premise location must be identified in the notice and agenda of the meeting.
- Agendas must be posted at the off-premise location.
- The off-premise location must be accessible to the public and be ADA compliant.
- The commission/committee member participating at a duly noticed off-premises location does not count toward the quorum necessary to convene a meeting of the commission/committee.
- For any one meeting, no more than one commission/committee member may participate from an off-premise location.
- All votes must be by roll call.

6. *Selection of chair and vice chair*

- The chair and vice chair shall be selected in May of each year by a majority of the members and shall serve for one year or until their successors are selected.
- Each commission/committee shall annually rotate its chair and vice chair.

G. Memberships

Appointments/Oaths

- The City Council is the appointing body for all commissions/committees. All members serve at the pleasure of the City Council for designated terms.
- All appointments and reappointments shall be made at a regularly scheduled City Council meeting, and require an affirmative vote of not less than a majority of the City Council present.
- Before taking office, all members must complete an Oath of Allegiance required by Article XX, §3, of the Constitution of the State of California. All oaths are administered by the City Clerk or his/her designee.
- Appointments made during the middle of the term are for the unexpired portion of that term.

Application and selection process

- The application process begins when a vacancy occurs due to term expiration, resignation, removal or death of a member.
- The application period will normally run for a period of four weeks from the date the vacancy occurs.

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004

Effective 6/5/2019

6

If there is more than one concurrent vacancy in a Commission, the application period may be extended. Applications are available from the City Clerk's office and on the City's website.

- The City Clerk shall notify members whose terms are about to expire whether or not they would be eligible for reappointment. If reappointment is sought, an updated application will be required.
- Applicants are required to complete and return the application form for each commission/committee they desire to serve on, along with any additional information they would like to transmit, by the established deadline. Applications sent by email are accepted; however, the form submitted must be signed.
- After the deadline of receipt of applications, the City Clerk shall schedule the matter at the next available regular City Council meeting. All applications received will be submitted and made a part of the City Council agenda packet for their review and consideration. If there are no applications received by the deadline, the City Clerk will extend the application period for an indefinite period of time until sufficient applications are received.
- Upon review of the applications received, the City Council reserves the right to schedule or waive interviews, or to extend the application process in the event insufficient applications are received. In either case, the City Clerk will provide notification to the applicants of the decision of the City Council.
- If an interview is requested, the date and time will be designated by the City Council. Interviews are open to the public.
- The selection/appointment process by the City Council shall be conducted open to the public. Nominations will be made and a vote will be called for each nomination. Applicants receiving the highest number of affirmative votes from a majority of the City Council present shall be appointed.
- Following a City Council appointment, the City Clerk shall notify successful and unsuccessful applicants accordingly, in writing. Appointees will receive copies of the City's Non-Discrimination and Sexual Harassment policies, and disclosure statements for those members who are required to file under State law as designated in the City's Conflict of Interest Code. Copies of the notification will also be distributed to support staff and the commission/committee chair.
- An orientation will be scheduled by the City Clerk following an appointment (but before taking office) and a copy of this policy document will be provided at that time.

Attendance

- An Attendance Policy (CC-91-001), shall apply to all advisory bodies. Provisions of this policy are listed below.
- A compilation of attendance will be submitted to the City Council at least annually listing absences for all commissions/committee members.
- Absences, which result in attendance at less than two-thirds of their meetings during the calendar year, will be reported to the City Council and may result in replacement of the member by the City Council.
- Any member who feels that unique circumstances have led to numerous absences can appeal directly to the City Council for a waiver of this policy or to obtain a leave of absence.
- While it is expected that members be present at all meetings, the chair and staff liaison should be notified if a member knows in advance that he/she will be absent.
- When reviewing commissioners for reappointment, overall attendance at full commission meetings will be given significant consideration.

Compensation

- Members shall serve without compensation (unless specifically provided) for their services, provided, however, members shall receive reimbursement for necessary travel expenses and other expenses incurred on official duty when such expenditures have been authorized by the City Council (See Policy CC-91-002).

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004

Effective 6/5/2019

7

Conflict of interest and disclosure requirements

- A Conflict of Interest Code has been updated and adopted by the City Council and the Community Development Agency pursuant to Government Code §87300 et seq. Copies of this Code are filed with the City Clerk. Pursuant to the adopted Conflict of Interest Code, members serving on the Planning Commission are required to file a Statement of Economic Interest with the City Clerk to disclose personal interest in investments, real property and income. This is done within 30 days of appointment and annually thereafter. A statement is also required within 30 days after leaving office.
- If a public official has a conflict of interest, the Political Reform Act may require the official to disqualify himself or herself from making or participating in a governmental decision, or using his or her official position to influence a governmental decision. Questions in this regard may be directed to the City Attorney.

Qualifications, compositions, number

- In most cases, members shall be residents of the City of Menlo Park and at least 18 years of age.
- Current members of any other City commission/committee are disqualified for membership, unless the regulations for that advisory body permit concurrent membership. Commission/Committee members are strongly advised to serve out the entirety of the term of their current appointment before seeking appointment on another commission/committee.
- Commission/Committee members shall be permitted to retain membership while seeking any elective office. However, members shall not use the meetings, functions or activities of such bodies for purposes of campaigning for elective office.
- There shall be seven (7) members on each commission/committee with the exception of:
 - Complete Streets Commission – nine (9) members

Reappointments, resignations, removals

- Incumbents seeking a reappointment are required to complete and file an application with the City Clerk by the application deadline. No person shall be reappointed to a commission/committee who has served on that same body for two consecutive terms; unless a period of one year has lapsed since the returning member last served on that commission/committee (the one year period is flexible subject to City Council's discretion).
- Resignations must be submitted in writing to the City Clerk, who will distribute copies to City Council and appropriate staff.
- The City Council may remove a member by a majority vote of the City Council without cause, notice or hearing.

Term of office

- Unless specified otherwise, the term of office for all commission/committee shall be four (4) years unless a resignation or a removal has taken place.
- If a person is appointed to fill an unexpired term and serves less than two years, that time will not be considered a full term. However, if a person is appointed to fill an unexpired term and serves two years or more, that time will be considered a full term.
- Terms are staggered to be overlapping four-year terms, so that all terms do not expire in any one year.
- If a member resigns before the end of his/her term, a replacement serves out the remainder of that term.

Vacancies

- Vacancies are created due to term expirations, resignations, removals or death.
- Vacancies are listed on the City Council agenda and posted by the City Clerk in the City Council Chambers bulletin board and on the city website.
- Whenever an unscheduled vacancy occurs in any commission/committee, a special vacancy notice shall be posted within 20 days after the vacancy occurs. Appointment shall not be made for at least

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

10 working days after posting of the notice (Government Code 54974).

- On or before December 31 of each year, an appointment list of all regular advisory commissions/committees of the City Council shall be prepared by the City Clerk and posted in the City Council Chambers bulletin board and on the City’s website. This list is also available to the public (Government Code 54972, Maddy Act).

Roles and Responsibilities

Complete Streets Commission

The Complete Streets Commission is charged primarily with advising the City Council on multi-modal transportation issues according to the goals and policies of the City’s general plan. This includes strategies to encourage safe travel, improve accessibility, and maintaining a functional and efficient transportation network for all modes and persons traveling within and around the City. The Complete Streets Commission's responsibilities would include:

- Coordination of multi-modal (motor vehicle, bicycle, transit and pedestrian) transportation facilities
- Advising City Council on ways to encourage vehicle, multi-modal, pedestrian and bicycle safety and accessibility for the City supporting the goals of the General Plan
- Coordination on providing a citywide safe routes to school plan
- Coordination with regional transportation systems
- Establishing parking restrictions and requirements according to Municipal Code sections 11.24.026 through 11.24.028

Environmental Quality Commission

The Environmental Quality Commission is charged primarily with advising the City Council on matters involving environmental protection, improvement and sustainability. Specific focus areas include:

- Preserving heritage trees
- Using best practices to maintain city trees
- Preserving and expanding the urban canopy
- Making determinations on appeals of heritage tree removal permits
- Administering annual Environmental Quality Awards program
- Organizing annual Arbor Day Event; typically a tree planting event
- Advising on programs and policies related to protection of natural areas, recycling and waste reduction, environmentally sustainable practices, air and water pollution prevention, climate protection, and water and energy conservation.

Finance and Audit Committee

The Finance and Audit Committee is charged primarily to support delivery of timely, clear and comprehensive reporting of the City’s fiscal status to the community at large. Specific focus areas include:

- Review the process for periodic financial reporting to the City Council and the public, as needed
- Review financial audit and annual financial report with the City’s external auditors
- Review of the resolution of prior year audit findings
- Review of the auditor selection process and scope, as needed

Housing Commission

The Housing Commission is charged primarily with advising the City Council on housing matters including housing supply and housing related problems. Specific focus areas include:

- Community attitudes about housing (range, distribution, racial, social-economic problems)
- Programs for evaluating, maintaining, and upgrading the distribution and quality of housing stock in the City
- Planning, implementing and evaluating City programs under the Housing and Community Development Act of 1974

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

9

- Members serve with staff on a loan review committee for housing rehabilitation programs and a first time homebuyer loan program
- Review and recommend to the City Council regarding the Below Market Rate (BMR) program
- Initiate, review and recommend on housing policies and programs for the City
- Review and recommend on housing related impacts for environmental impact reports
- Review and recommend on State and regional housing issues
- Review and recommend on the Housing Element of the General Plan
- The five most senior members of the Housing Commission also serve as the members of the Relocation Appeals Board (City Resolution 4290, adopted June 25, 1991).

Library Commission

The Library Commission is charged primarily with advising the City Council on matters related to the maintenance and operation of the City's libraries and library systems. Specific focus areas include:

- The scope and degree of library activities
- Maintenance and protection of City libraries
- Evaluation and improvement of library service
- Acquisition of library materials
- Coordination with other library systems and long range planning
- Literacy and ESL programs

Parks and Recreation Commission

The Parks and Recreation Commission is charged primarily with advising the City Council on matters related to City programs and facilities dedicated to recreation. Specific focus areas include:

- Those programs and facilities established primarily for the participation of and/or use by residents of the City, including adequacy and maintenance of such facilities as parks and playgrounds, recreation buildings, facilities and equipment
- Adequacy, operation and staffing of recreation programs
- Modification of existing programs and facilities to meet developing community needs
- Long range planning and regional coordination concerning park and recreational facilities

Planning Commission

The Planning Commission is organized according to State Statute.

- The Planning Commission reviews development proposals on public and private lands for compliance with the General Plan and Zoning Ordinance.
- The Commission reviews all development proposals requiring a use permit, architectural control, variance, minor subdivision and environmental review associated with these projects. The Commission is the final decision-making body for these applications, unless appealed to the City Council.
- The Commission serves as a recommending body to the City Council for major subdivisions, rezoning's, conditional development permits, Zoning Ordinance amendments, General Plan amendments and the environmental reviews and Below Market Rate (BMR) Housing Agreements associated with those projects.
- The Commission works on special projects as assigned by the City Council.

Sister City Committee

The Sister City Committee is primary charged with promoting goodwill, respect and cooperation by facilitating cultural, educational and economic exchanges

- Develop a mission statement and program plan consisting of projects, exhibits, contacts and exchanges of all types to foster and promote the objectives of the mission statement
- Implement the approved program plan upon request of the City Council
- Keep the community informed concerning the Sister City program
- Advise the City Council on matters pertaining to any sister city affairs

COMMISSIONS/COMMITTEES POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES

City Council Policy #CC-01-0004
Effective 6/5/2019

- Perform other duties as may be assigned to the committee by the City Council

Special Advisory Bodies

The City Council has the authority to create standing committees, task forces or subcommittees for the City, and from time to time, the City Council may appoint members to these groups. The number of persons and the individual appointee serving on each group may be changed at any time by the City Council. There are no designated terms for members of these groups; members are appointed by and serve at the pleasure of the City Council.

Any requests of city commissions or committees to create such ad hoc advisory bodies shall be submitted in writing to the City Clerk for City Council consideration and approval.