



REGULAR MEETING MINUTES

Date: 4/12/2022
Time: 6:00 p.m.
Location: Zoom

Regular Session

A. Call To Order

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

B. Roll Call

Present: Combs, Mueller, Nash, Taylor, Wolosin
Absent: None
Staff: Interim City Manager Justin I.C. Murphy, City Attorney Nira F. Doherty, City Clerk Judi A. Herren

C. Agenda Review

None.

D. Presentations and Proclamations

D1. Proclamation: April as National Poetry Month (Attachment)

Mayor Nash read the proclamation (Attachment).

San Mateo County Poet Laureate Aileen Cassinetta accepted the proclamation.

E. Closed Session

E1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code § 54956.9)
Michael Zeleny v. Rob Bonta, et al (Case No. 17-cv-07357-RS)
Claimant: Michael Zeleny

~~E2. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 of the
Government Code: (one potential case)~~

E3. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: David Fogel et al. v. City of Menlo Park, Case No. 21-CIV-06674

Mayor Nash adjourned to the closed session at 6:14 p.m.

Mayor Nash reconvened the regular meeting at 6:52 p.m.

F. Report from Closed Session

No reportable actions.

G. Study Session

- G1. Provide direction on developing a partnership agreement with BlocPower to support implementation of the 2030 Climate Action Plan through a voluntarily building electrification program (Staff Report #22-060-CC)

Sustainability Manager Rebecca Lucky and BlocPower representatives Donnel Baird, Roopak Kandasamy, and Grace Park-Bradbury made the presentation (Attachment).

- Angela Evans spoke in support of an agreement with BlocPower to support implementation of the 2030 Climate Action Plan.
- Bruce Karney spoke in support of an agreement with BlocPower to support implementation of the 2030 Climate Action Plan.
- Catharina Clark spoke in support of an agreement with BlocPower to support implementation of the 2030 Climate Action Plan.
- Adina Levin spoke in support of an agreement with BlocPower to support implementation of the 2030 Climate Action Plan.
- Karen Grove spoke in support of an agreement with BlocPower to support implementation of the 2030 Climate Action Plan.
- Tom Kabat spoke in support of an agreement with BlocPower to support implementation of the 2030 Climate Action Plan.

The City Council discussed various aspects of a potential public-private partnership with BlocPower, including the types of resources and funding needed, better understanding the BlocPower model as a platform between customers and existing local businesses offering relevant services, customer buyout/upgrade options after the conclusion of the 15-year lease, recourse for residents if they encounter a negative experience with BlocPower, consider trial period with exit language and how any raised capital would be handled as result, desire to have quarterly report requirements for the City Council in addition to the sustainability division, track rental pricing changes after decarbonization projects are completed and survey customers in general, and public transparency around all local vendors involved in BlocPower's retrofit work.

The City Council received clarification on the necessity of a partnership with the city for a voluntary building electrification program with a private company, the requirements for a procurement process, the use of data gathered by BlocPower, maintenance guarantees, regulations related to climate action plan (CAP) goals for 2030, utility rate savings, and termination of the agreement.

H. Public Comment

- Adina Levin spoke in support of federal funding for major projects.

I. Consent Calendar

- I1. Accept the City Council meeting minutes for March 2, 2022 (Attachment)
- I2. Adopt a resolution to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings

(Staff Report #22-061-CC)

13. Approve increased compensation for interim city manager services (Staff Report #22-062-CC)
14. Authorize the Mayor to Join the Race to Zero (Staff Report #22-063-CC)
15. Authorize the city manager to enter into a contract with Dudek to prepare an environmental impact report and housing needs assessment for the proposed life science project at 1005 O'Brien Drive and 1320 Willow Road for the amount of \$244,863 and future augments as may be necessary to complete the environmental review and housing needs assessment for the proposed project (Staff Report #22-064-CC)
16. Adopt a resolution accepting and appropriating a San Mateo County Summer 2022 Enrichment Grant in the total amount of \$33,152 to support and expand summer camp enrichment programs for children at the Belle Haven Youth Center (Staff Report #22-065-CC)
17. Receive and file 2021 priorities, work plan quarterly report as of March 31, 2022, and advisory body work plan update (Staff Report #22-066-CC)

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

J. Regular Business

- J1. Receive and file report on labor relations and receive public input on upcoming labor negotiations with Menlo Park Police Sergeant's Association (Staff Report #22-059-CC)

Interim Human Resources Director Kristen Strubbe introduced the item.

ACTION: Motion and second (Combs/ Wolosin), to receive and file report on employee compensation and receive public input on upcoming labor negotiations with Menlo Park Police Sergeant's Association, passed unanimously.

- J2. Adopt resolutions authorizing the issuance of 2022 General Obligation Refunding Bonds and 2022 General Obligation Bonds for the purpose of renovating and expanding the City's parks and recreation facilities and approving related documents (Staff Report #22-067-CC)

Interim Finance Director Marvin Davis introduced the item and Urban Futures Inc. representative Wing-See Fox and Jones Hall representative Chris Lynch made the presentation (Attachment).

- Pam Jones spoke in opposition of higher taxes but in support of the Parks and Recreation master plan.

The City Council discussed Measure T bonds uses, deadline/timelines, limiting the withdrawal to the needed \$8 million, and bifurcating the resolutions.

The City Council received clarification on impact to residents' taxes, terms of the bonds, the amount being requested, and associated costs of postponing withdrawing the full Measure T amount.

ACTION: Motion and second (Combs/ Nash), to adopt a resolution authorizing the issuance of 2022 General Obligation Refunding Bonds and related documents and actions for the purpose of refinancing the City's 2012 General Obligation Refunding Bonds in order to realize debt service savings for taxpayers in the City including the addition of a new sentence at the end of the first paragraph of Section 3: "The Refunding

Bonds may be sold as federally tax-exempt bonds or federally taxable bonds" and adopt a resolution authorizing the issuance of 2022 General Obligation Bonds and related documents and actions for the purpose of renovating and expanding the City's parks and recreation facilities, as approved by City voters in 2001, passed 4-1 (Mueller dissenting).

The City Council took a recess at 9:36 p.m.

The City Council reconvened at 9:50 p.m.

J3. Discussion on and direction to staff regarding potential residential zoning changes (Staff Report #22-068-CC)

Assistant Community Development Director Deanna Chow and M-Group representative Geoff Bradley introduced the item.

- David Bohannon spoke about the ConnectMenlo process and creating a live/work/play ecosystem and in opposition of downzoning in the R-MU district of the Bayfront Area, concerns of meeting Housing Element RHNA (regional housing need allocation) goals, expressed support for more housing in West Menlo and concerns about potential housing sites on other properties near Marsh Road they own would not be financially infeasible at 30 dwelling units/acre.
- Ali Sapirman spoke about the severe housing shortage, housing affordability, need to meet housing at all income levels and the RHNA targets, bolstering housing, equitably, and in opposition of downzoning as a mechanism to create equitable outcomes.
- Michal Bortnik noted that downzoning is complicated, expressed support for finding a way to do something about even if the process is complicated, and expressed concerns about potential housing opportunity sites.
- Adina Levin spoke in support of upzoning areas in downtown and central area of the city near services and transit to have at least the same zoning as Bayfront Area, which would help meet Housing Element goals, and expressed concerns about moving capacity from known sites to new sites.
- Karen Grove spoke in support of maximizing the use of all neighborhoods to meet housing goals and increased density in District 5.
- Brittani Baxter spoke in support of an even share of the growth of homes and resources across the City, including in District 3, and spoke on the need to find suitable housing sites on the West side of Highway 101.
- Katie Behroozi spoke in support of increased housing across the City.
- Pam Jones spoke in support of directing staff to initiate the downzoning changes in R-MU zoning district and increase elsewhere so they could research and provide information for further discussion and commented that building in District 1 is greater than other areas of the City.

The City Council discussed impacts of projects in District 1 throughout the City, the increase of housing in District 1, studying impacts to reduce density and removing the bonus level, the California Department of Housing and Community Development (HCD) regulations and timing of including extremely low income (ELI) housing.

The City Council received clarification on shifting units from District 1 to another District, communications with current parcel owners, current Regional Housing Need Allocation (RHNA) numbers, density bonus offsetting, affordable housing overlays, and R-MU amenities.

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

The City Council directed staff to include ELI in the housing element.

K. Informational Items

- K1. City Council agenda topics: April – May 10, 2022 (Staff Report #22-069-CC)
- K2. Menlo Park Community Campus draft operation plan milestones (Staff Report #22-070-CC)
- K3. Gymnastics program reactivation capacity and timeline update (Staff Report #22-071-CC)

L. City Manager's Report

Interim City Manager Justin Murphy reported on the Willow Village environmental impact report (EIR), advisory body recruitment, reimaging public safety meeting in District 3, and the Independent Redistrict Commission meeting.

M. City Councilmember Reports

Vice Mayor Wolosin reported out on meeting with the Transportation Authority funding group related to grade separation and that CalTrain is offering 50 percent off to riders in the month of April.

Mayor Nash reported on Menlo Spark expressing interest in an ICLEI (International Council for Local Environmental Initiatives) grant, Mayor Nash and City Councilmember Taylor attended a PG&E live action drill for joint gas emergency response, and Mayor Nash and City Councilmember Taylor had convened an informal working group related to the Menlo Park Community Campus.

N. Adjournment

Mayor Nash adjourned the meeting at 11:36 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of May 10, 2022.

APRIL AS NATIONAL POETRY MONTH

WHEREAS, the Academy of American Poets established the month of April as National Poetry Month in 1996; and

WHEREAS, National Poetry Month seeks to highlight the extraordinary legacy and ongoing achievement of American poets; introduce Americans to the pleasures and benefits of reading poetry; bring poets and poetry to the public in immediate and innovative ways; make poetry an important part of our children's education; and

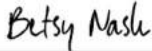
WHEREAS, as National Poetry Month, under the leadership and direction of the Academy of American Poets, is now the largest literary celebration in the world; and

WHEREAS, poetry enhances and enriches the lives of all Americans; and

WHEREAS, poetry, as an essential part of the arts and humanities, affects every aspect of life in America today, including education, the economy, and community pride and development; and

WHEREAS, poetry has produced some of the nation's leading creative artists and has inspired other artists in fields such as music, theatre, film, dance, and the visual arts; and

NOW, THEREFORE, BE IT PROCLAIMED, that I, Betsy Nash, Mayor of the City of Menlo Park, on behalf of the City Council and City, do hereby proclaim April 1 through April 30, 2022 as National Poetry Month. I call upon public officials, educators, librarians, and all the people of Menlo Park to observe this month, to celebrate the cultural riches our community has to offer, and to recognize the important role poetry in creating and sustaining this great nation with appropriate ceremonies, activities, and programs.

DocuSigned by:

415F4B216DDE480
Betsy Nash, Mayor
April 12, 2022



BlocPower + Menlo Park

Greener, Smarter, Healthier Buildings for All Since 2014



About BlocPower



Smarter, Greener, Healthier Buildings for All

- BlocPower is a Black-owned climate tech company founded in 2014, focused on greening and modernizing residential and small commercial buildings. Over 1200 projects completed to date.
- BlocPower develops, implements, and finances energy efficiency and clean energy projects for building owners in dense, often LMI urban areas in the United States.



Our software platform streamlines energy project identification, design, and install, **cutting down the time and cost** of completion.



BlocPower financing enables building owners to get much-needed energy-saving improvements with **no money upfront** and projects can be profitable day one.



BlocPower Wi-Fi connects community members without internet access through affordable mesh networks



Focus on workforce training and community engagement



ANDREESSEN
HOROWITZ



nationalgrid

Kapor
CAPITAL

conEdison

Exelon





Turnkey Building Electrification Program & Projects

Data & Technology

BlocMaps, a one-stop planning tool to electrify buildings, neighborhoods, and cities



Financing

Full stack responsible financing that bridges capital + incentives



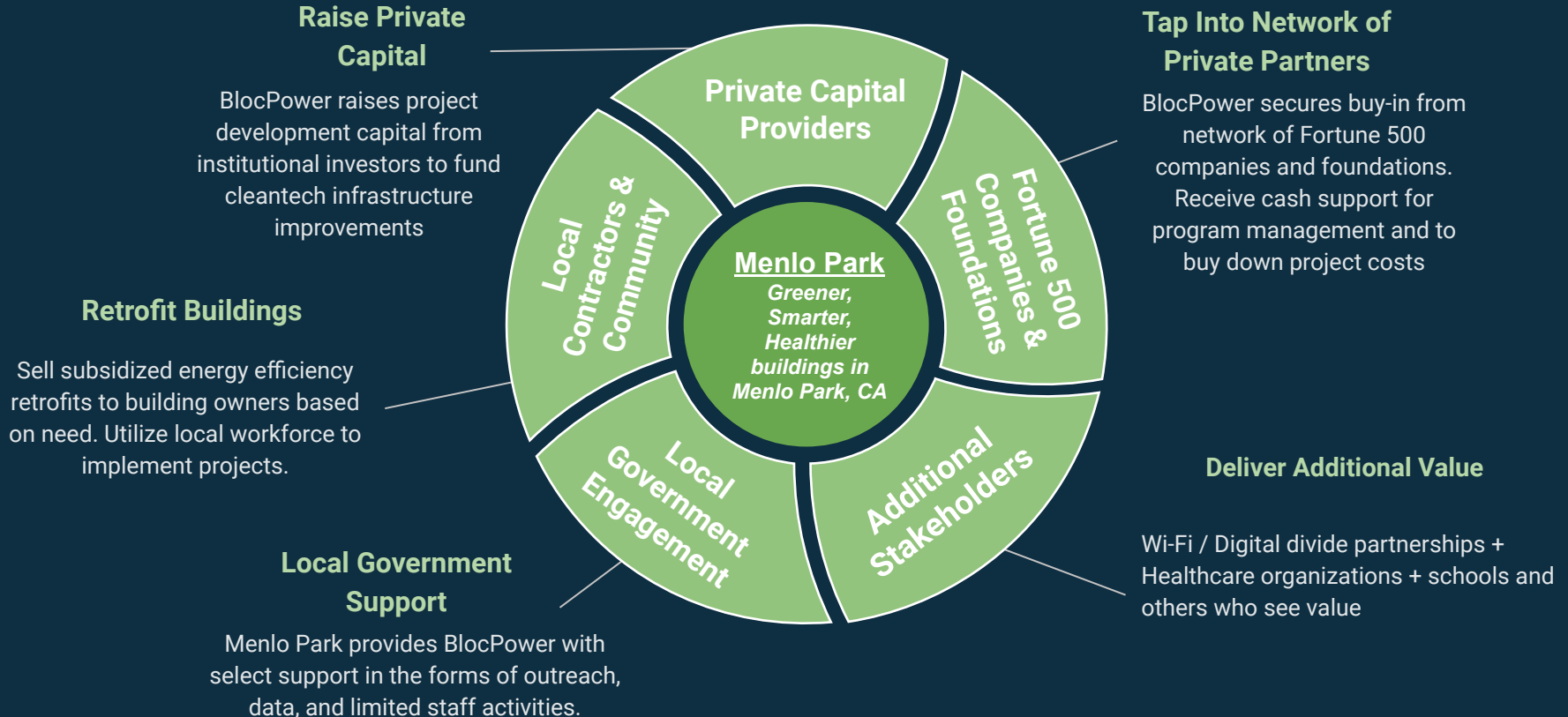
Community Driven Enablers

Job creation through Workforce Development to upskill and hire underrepresented workers into a Just Transition

Community connectivity through Wifi low-cost, high speed internet access to neighborhoods in need



Public Private Partnership Vision



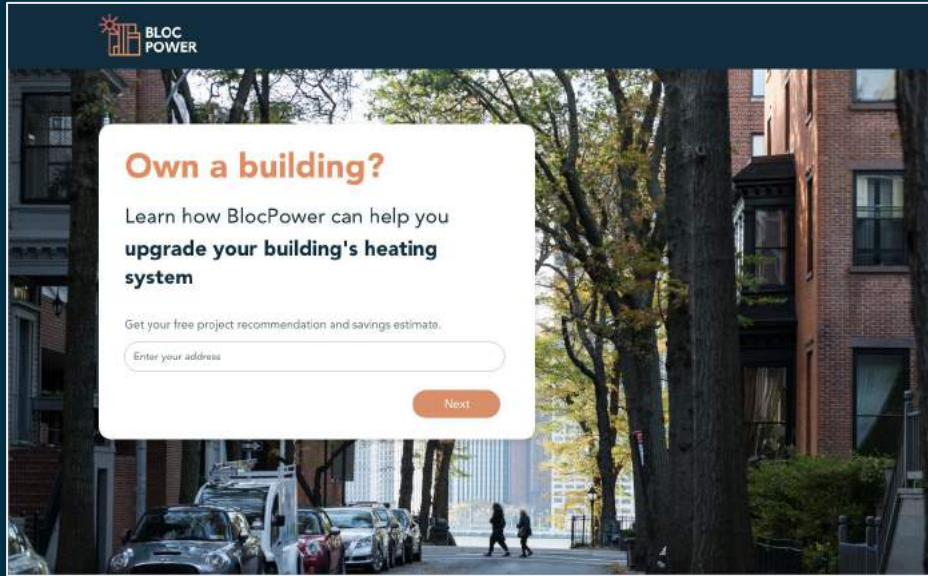


BlocPower's Services for Building Owners

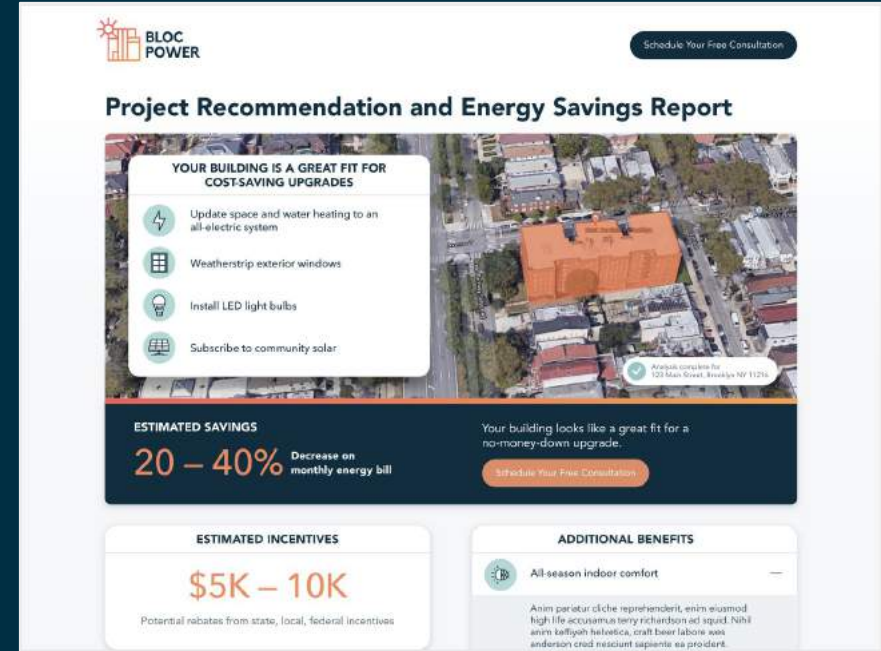




The one-stop shop for building owners to get started with Building Electrification



Streamlined path of project scoping, design and pricing and connection to BlocPower's Team

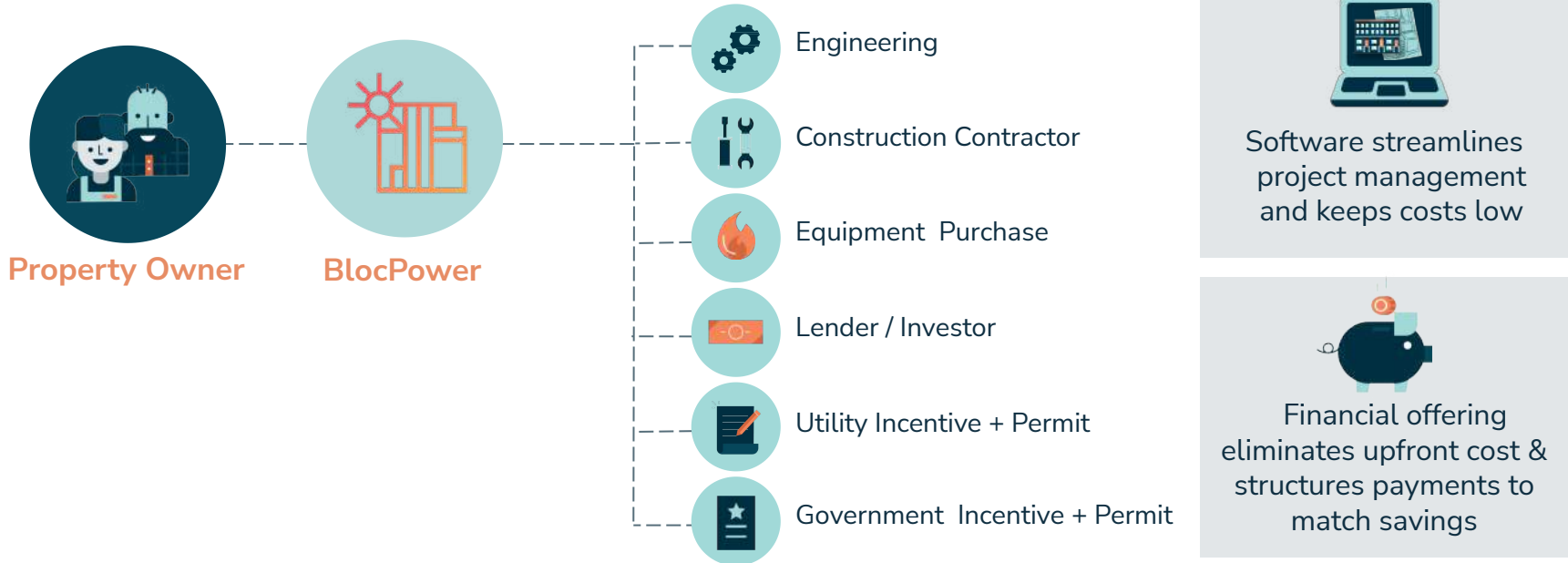


Accessible, intuitive starting point for building owners to learn about the benefits and cost of electrification and energy efficiency upgrades for their building



Customer-Centric Building Electrification Solution









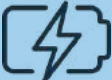

BlocPower simplifies the end-to-end customer experience, increasing participation and lowering costs





BlocPower Delivers Comprehensive Projects

An “all of the above” suite of electrification services allows building owners to pursue what’s best for them while streamlining their experience

 Air source and ground source heat pumps; High SEER AC units	 Heat pump hot water	 Home appliances, + panel upgrades	 LED lighting, insulation, air sealing, water measures	 Project planning to put it all together
 Remediation: Lead, mold, asbestos	 Monitoring and control systems	 Local Solar or Community Solar	 Battery Storage	 Incentive sourcing & financing to make it accessible

Fragmented datasets and communication prevent efficient project assessment and collaboration

This drives up costs, reduces profitability, and prevents **5 million SMEs** from upgrading.

80%

Project Cost Increase Potential



Electrification is complex & time-consuming

Climate / energy expert

"I'm trying to electrify my home in Santa Barbara... The time it takes to get permits to change my house is about a year.

I'm still burning gas in my house for that year. Now we're going back and forth about what kind of heat pump I can use.

None of the system is oriented about climate being the most important thing"

Leah Stokes, UCSB energy, climate and environmental politics Asst. professor

Source:

<https://www.nytimes.com/2022/03/13/opinion/berkeley-enrollment-climate-crisis.html>

LMI Homeowner

"I knew I wanted to be energy efficient, just didn't know where to start. Working with the Revalue.io team and Blocpower, made the process seamless and easy."

Oakland homeowner / BlocPower Customer



Electrification

Features:

- 15-year contract
- Customer payments targeted to savings
- Low 1% annual escalation in payment
- Full guarantee on equipment and service
- Maintenance costs included for 15 years
- Purchase, renew or remove options at end of term
- No lien on underlying property



as a Service

Benefits:

- No upfront capital needed to take action
- Easy entry to learn about unfamiliar technology
- System guaranteed to function for customer
- Significant savings compared to oil



Case Studies: Completed Projects

Single Family Residential



Single Family White Plains, NY Home

Issues: Uncomfortable paying up-front for replacement

BlocPower Solution:

- 7 zone air source heat pump system installation
- No money down lease on equipment and installation

Multi Family Residential



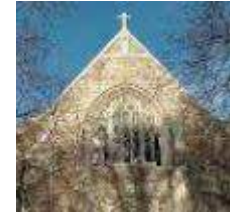
Multi-family Oakland, CA Apartment building

Issues: "Leaky" building w/ Old, inefficient and unhealthy heating and cooling system

BlocPower Solution:

- Mini-split heat pump and smart thermostat
- Electric hot water heater
- Weather-proofing insulation

House of Worship



Historic Church built in 1928.

Issues: Wintertime loss of heat, No cooling system for summer

BlocPower Solution:

- Variable refrigerant flow (VRF) heating & cooling system — 5X more efficient than their previous system



From Projects to Large Scale Programs



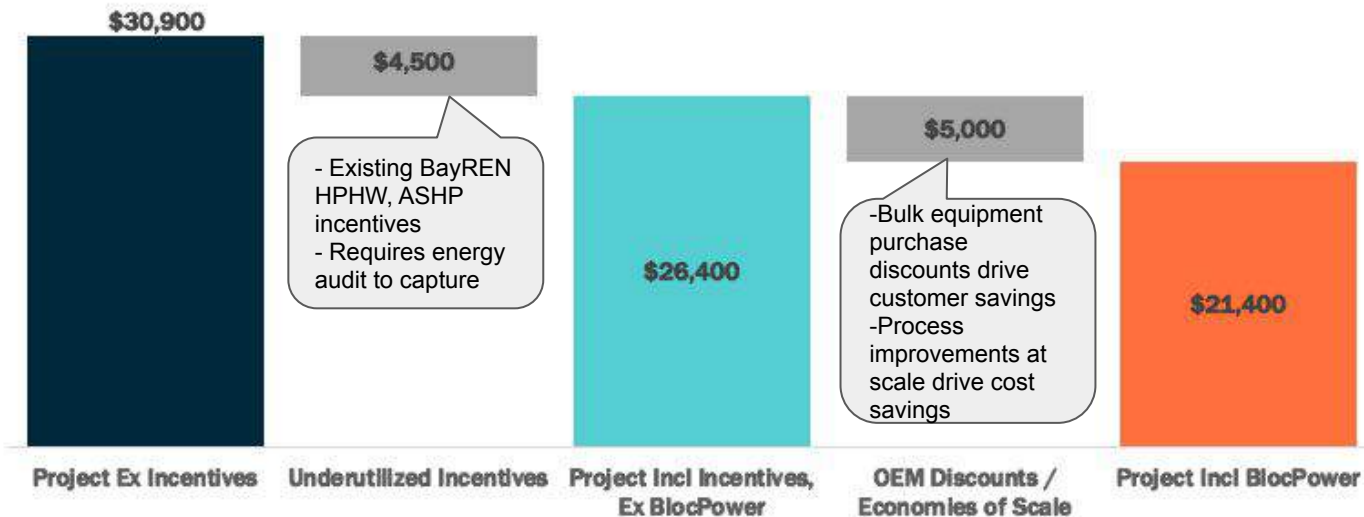
BlocPower partnership delivers scale and affordability

Type	without BlocPower	with BlocPower	with BlocPower & public funds
Market Rate Household	<p>LOTS OF TIME, COMPLEXITY, TRUST ISSUES</p> <ul style="list-style-type: none"> • Research & hire contractor that knows electrification • Apply for energy audit • Engineering costs • Apply & manage permitting • Apply for incentives 	<p>TURNKEY ELECTRIFICATION</p> <ul style="list-style-type: none"> • Contractor specialized in full electrification • Bulk purchasing discounts • Engineering / Incentive applications handled by BlocPower • Customer Success: Post installation Operations & Maintenance plan 	<p>GREATER ADOPTION</p> <ul style="list-style-type: none"> • Lower financing costs further • Official program backing builds community trust & adoption
LMI Household	<p>DOESN'T GET DONE</p> <ul style="list-style-type: none"> • Lack of capital + larger scope of work (remediation / updated maintenance required) 	<p>GETS DONE</p> <ul style="list-style-type: none"> • Project enablement through affordable responsible financing: no lien on household, equipment only 	<p>GREATER AFFORDABILITY</p> <ul style="list-style-type: none"> • Further affordability, potentially savings



Experience shows homeowners need new and under-use existing levers to drive down project costs

BlocPower Impact on Economics: Low-Moderate Income Single Family Residence (LMI SFR)





LMI projects have higher project costs due to larger scopes of work; greater potential for cost savings

Current and Potential Cost Savings

- Improved project modeling
- Increased installation efficiency

Project Costs:

- Air Source Heat Pump
- Electrical Panel Upgrades
- Hot Water Heat Pump
- Induction Stove
- Main Panel Upgrades



Wall, Ceiling Insulation

Windows / Air Sealing

Remediation

-Environmental (Asbestos / Mold, Lead paint)

Foundation repair

Views into the same project

Illustrative



Workforce Development



BLOC POWER

CIVILIAN CLIMATE CORPS



Vice President Harris and DOE Secretary Granholm with BlocPower CEO Donnel Baird and CCC participant Joshua Krupa

- BlocPower focuses on training individuals in disinvested communities to expand, diversify, and strengthen the clean energy workforce.
- Multi-million workforce contract with the NYC Mayor's Office of Criminal Justice. The majority of funds go directly to participants through a 6-months paid training and apprenticeship.
- Participants have installed Wi-Fi in public housing, EV charging stations and solar on roofs. They have trained and worked on HVAC conversions and air quality monitoring.

TECHNICAL TRAINING FOR CAREERS IN THE GREEN ECONOMY



FOUNDATIONAL TRAINING

- Basic Construction
- OSHA 40 (includes SST certification)
- EPA 608, ELI certifications



SPECIALIZATION

- HVAC Systems/heat pumps
- Energy Auditing
- Community WiFi Installation
- Electrical Work
- Solar installation
- EV chargers
- Coding and software development
- Drone operations for building mapping

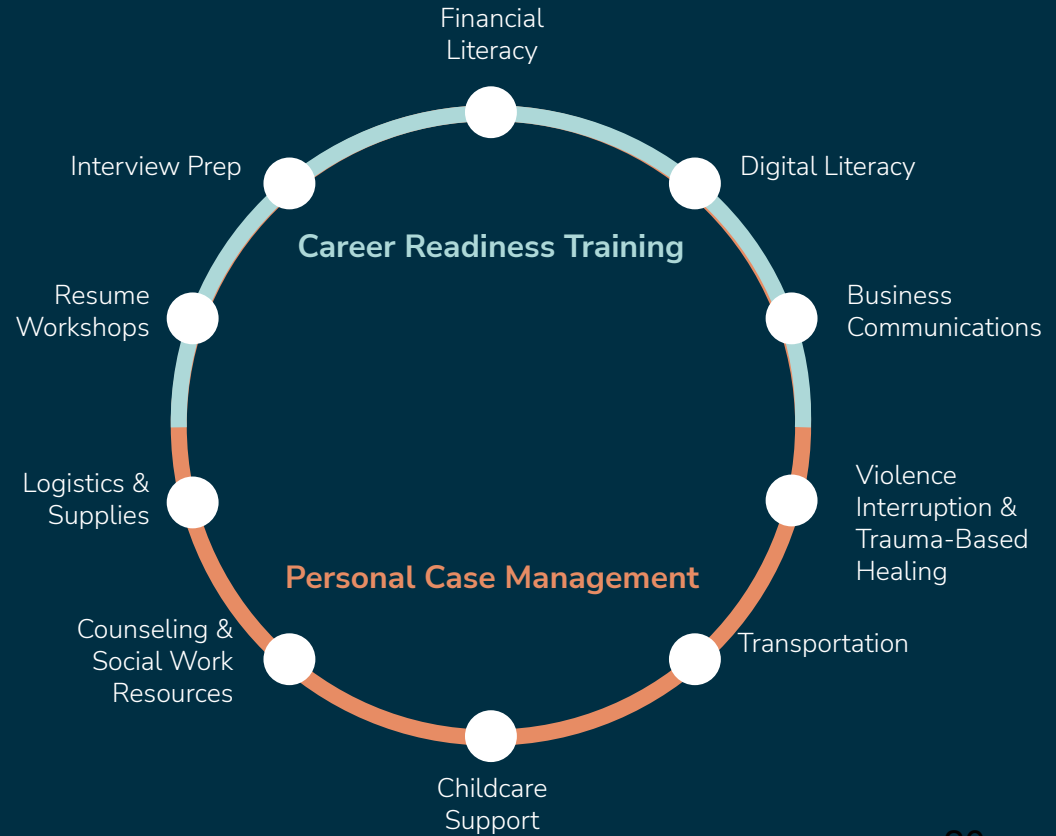


ON-SITE TRAINING

- Work opportunities and experience with ASHPs, power tools, charging stations, etc.

WRAPAROUND SERVICES THAT SET PARTICIPANTS UP FOR LONG TERM SUCCESS

We take a whole-of-person approach to workforce development, because we know there can be structural barriers that limit success of even the most talented and dedicated





Next Steps



The time to act is now

Menlo Park Plan

Menlo Park has committed to a strong Climate Action plan

- Committed to Net Zero by 2030, 95% of existing buildings decarbonized/electrified - Must start now

Significant opportunity to address environmental injustice - Approx 1500 LMI residential buildings primarily in Belle Haven

- Digital Divide—need for Wi-Fi coverage to access education and jobs
- Concerns about flooding in Belle Haven

Vision and ability to execute transformative public-private partnership

- Commissioner Angela Evans, Menlo Spark & leaders, have committed to supporting this scaled partnership including joint pursuit of state and federal funding as well as philanthropic commitments
-



Potential plan could scale to meet the moment...

Proposed Operating Plan



... to electrify all 12K Menlo Park buildings



Thank you

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grace@blocpower.io

roopak@blocpower.io

A scenic landscape photograph of a river or stream flowing through green hills under a dramatic, cloudy sky. The water is blue, and the surrounding vegetation is lush green. The image is framed by a blue horizontal band containing the title text.

2022 GENERAL OBLIGATION BONDS AND 2022 GENERAL OBLIGATION REFUNDING BONDS (2001 ELECTION)



RECOMMENDATION

- Adopt a resolution approving the issuance of 2022 General Obligation Refunding Bonds and related documents and actions to refund outstanding 2012 General Obligation Refunding Bonds
 - Will result in debt service savings and lower property tax payments in the City related to the 2012 General Obligation Refunding Bonds
 - Amend the Resolution to add a new sentence at the end of the first paragraph of Section 3: “The Refunding Bonds may be sold as federally tax-exempt bonds or federally taxable bonds.
- Adopt a resolution approving the issuance of 2022 General Obligation Bonds and related documents and actions
 - Will provide funds to finance parks and recreation facilities in furtherance of Measure T



MEASURE T GENERAL OBLIGATION BONDS



- Measure T authorized the issuance of \$38 million in General Obligation Bonds to renovate and expand the City's parks and recreation facilities
 - Highest tax rate required to service all bonds shall not exceed \$14 per \$100,000 in assessed value
- 2002 Bonds; 2012 Refunding Bonds
 - \$13,245,000 issued in 2002
 - 2012 Bonds refunded 2002 Bonds
- 2009 Bonds; 2019 Refunding Bonds
 - \$10,440,000 issued in 2009
 - 2019 Bonds refunded 2009 Bonds
- City has \$14,315,000 of remaining new money bonding capacity under Measure T



2022 GENERAL OBLIGATION REFUNDING BONDS



- Capital One, owner of the 2012 Refunding Bonds, has agreed to accelerate refunding of the 2012 Refunding Bonds
 - Offered to purchase 2022 General Obligation Refunding Bonds to refund 2012 Refunding Bonds at a lower interest rate and at a premium (old rate of 3.75% vs. new rate of 2.715%)
 - Approximately \$358,000 in NPV savings, or 6% of refunded par
 - Savings are net of all professional fees
- Resolution approves
 - Paying Agent Agreement
 - Irrevocable Refunding Instructions
 - Financing Team



2022 GENERAL OBLIGATION BONDS

- Issue remaining authorization of \$14,315,000 to finance construction, acquisition, and improvement of parks and recreation facilities
 - Menlo Park Community Camps, Willow Oaks Park, Burgess Park
- Recommended bond structure
 - Final maturity in 2039 (17 years) to match final maturity of outstanding bonds
 - Level debt service to lower the overall interest expense
 - Estimated True Interest Cost of 3.35% and total payment through maturity of \$22.15 million
- Estimated tax rates 2023-2039
 - Average: \$6.69 per \$100K AV
 - Min: \$5.13 per \$100K AV
 - Max: \$8.58 per \$100K AV



2022 GENERAL OBLIGATION BONDS

- Resolution approves financing team
 - Urban Futures, Inc. as Municipal Advisor
 - Jones Hall, A Professional Law Corporation as Bond and Disclosure Counsel
 - The Bank of New York Mellon Trust Company, N.A. as Paying Agent
 - BofA Securities as Underwriter (through approval of Bond Purchase Agreement)
- Resolution approves following documents
 - Paying Agent Agreement
 - Costs of Issuance Custody Agreement
 - Project Fund Custody Agreement
 - Bond Purchase Agreement
 - Preliminary Official Statement
 - Continuing Disclosure Certificate



NEXT STEPS*

- April 14: Rating agency presentation and close refunding
- April 20: Receive rating
- April 21: Post Preliminary Official Statement
- Week of April 25: Bond Pricing
- Week of May 9: Close bond transaction and deliver project funds

*Preliminary, subject to change



THANK YOU